

TOWN COUNCIL STAFF REPORT

Title: Approval of Appropriations Limit, Investment Policy, and Annual Budget for Fiscal Year 25-26

Meeting Date: June 18, 2025

Prepared by: Rob Patterson, Town Manager
Megan Chapman, Finance Director

RECOMMENDATION:

It is recommended that Council take the following actions:

1. Adopt a resolution establishing the Town of Mammoth Lakes appropriations limit for Fiscal Year 25-26.
2. Adopt a resolution reaffirming the Town of Mammoth Lakes Investment Policy for Fiscal Year 25-26.
3. Adopt a resolution reaffirming the Town of Mammoth Lakes Reserve Policy for Fiscal Year 25-26.
4. Adopt a resolution reaffirming the Town of Mammoth Lakes Debt Policy for Fiscal Year 25-26.
5. Adopt a resolution approving the Annual Budget for the Town of Mammoth Lakes for Fiscal Year 25-26, as presented or with Council directed modifications.

APPROPRIATION LIMIT:

The California Constitution sets limits on the amount of Tax Revenues that may be appropriated by a local government. Each year the Town must adopt a resolution setting the appropriation limit that will be applied in the adoption of the budget. The State provides guidelines for the calculation which allow the limit to be adjusted by defined factors. The Town's limit is adjusted by the combination of the change in the County population and the California per Capita Income. The population of Mono County decreased by 1.59% and California per capita income changed by 6.44% for a combined adjustment of 1.04748% for FY24-25. The appropriations limit for the Town increased from \$32,229,540 to \$33,759,798 for FY25-26. The Town's appropriation of tax revenues subject to the limit are under the allowed amount.

INVESTMENT POLICY:

Each year the staff reviews the Town's Investment Policy and has the Council take action to reaffirm the policy and to approve any changes. Over time minor adjustments are made to the policy to better meet the needs of the Town, to meet regulatory changes, to adopt best practices or to allow added flexibility in managing the Town's portfolio. Staff do not recommend any adjustments to the Investment Policy for FY25-26. The Town Council may amend the policy, as it deems appropriate from time to time in the prudent management of the debt of the Town.

RESERVE POLICY:

The adopted Reserve Policy includes four elements, Reserve for Economic Uncertainty (REU), Operating Reserve (OR), Debt Reserve (DR), and Contingency. Both REU and OR are tied to a percentage of base operating revenue, which should approximate the General Fund revenue per policy. This baseline revenue is updated annually, and staff recommend an increase from \$33M to \$33.35M for FY25-26. The policy rates of 20% and 5% for REU and OR respectively remain unchanged for FY25-26. To be consistent with the Town Council direction, staff have included the required reserve allocation in the preliminary budget. This reserve allocation of \$84,200 is split between the REU (\$0) and OR (\$84,200), bringing them both into compliance with the policy. The interest earnings in the REU were sufficient to provide the necessary increase in funds to remain within policy without additional allocations. A \$100,000 contingency amount is included in the proposed budget.

The Reserve Policy also includes a section for debt reserve. This element will provide funding to pay debt service obligations of the General Fund in the event of a funding shortfall. This last fiscal year, the Town took on additional debt from the Town Hall Bond sale of \$29M. This bond repayment schedule is structured to allow for accelerated repayment once the airport settlement debt is paid off in FY35-36. As such, the annual debt service obligation from the General Fund is \$1,181,250. Staff made a mid-year allocation during quarterly budget review to increase the debt reserve to accommodate the majority of this new debt issued. An additional \$6,108 is included in the FY25-26 budget to bring this reserve component into compliance with policy. The total debt reserve is \$1,620,000 and the total reserve across all elements totals \$10,029,084.

Reserve Policy



Baseline Revenue is established on an annual basis during the budget process. **Baseline Revenue** must meet or exceed the **General Fund Revenue** in the Adopted Budget of the Fiscal Year



FY 25-26 Baseline Revenue \$33,350,000 to be used in the calculation of both **REU** and **OR**



Baseline General Fund Revenue: **\$33,350,000**

Reserve for Economic Uncertainty (REU) Target: 20% of \$33,350,000 = \$6,670,000

Operating Reserve (OR) Target: 5% of \$33,350,000 = \$1,734,200

Targeted Minimum Reserve Balance = \$8,404,200

Current balance of REU and OR = \$8,324,884

Required Additional Reserves = \$ 84,200



Debt Reserve 50% Annual Payment - Taxable Judgment Obligation Bonds (2017) (Average Annual Payment \$1,869,919 = \$934,960)



Debt Reserve 50% Annual Payment - Certificates of Participation Town Hall (2024) (Average Annual Payment \$1,361,250 = \$680,625)

Current Debt Reserves (rounded) = \$1,613,892

Required Additional Reserves = \$ 6,108

Total Reserves = \$10,029,084

DEBT POLICY:

This Debt Management Policy has been developed to provide guidance in the issuance and management of debt by the Town or any other public agency for which the Town Council sits as its legislative body and is intended to comply with Government Code Section 8855(I), effective on January 1, 2017. The main objectives are to establish conditions for the use of debt; to ensure that debt capacity and affordability are adequately considered; to minimize the Town's interest and issuance costs; to maintain the highest possible credit rating; to provide complete financial disclosure and reporting; and to maintain financial flexibility for the Town.

Debt, properly issued and managed, is a critical element in any financial management program. It assists in the Town's effort to allocate limited resources to provide the highest quality of service and facilities to the public. The Town desires to manage its debt program to promote economic growth and enhance the vitality of the Town for its residents and businesses.

Staff do not recommend any adjustments to the Debt Policy for FY25-26. Council may amend the policy, as it deems appropriate from time to time in the prudent management of the debt of the Town.

BACKGROUND:

The Budget: A Policy, Financial, Management and Planning Tool

The budget is the Town's financial plan used to achieve policy goals and the established work program for the fiscal year through the allocation of financial resources. The budget reflects directed investment in people, equipment, technology, capital projects and service improvements which are managed to achieve Town priorities and policy objectives. It includes the level and scope of services planned out for the current year, with a look to the future needs of the community. Although it is important to express the budget in monetary terms because of the need for a common denominator, a budget should be looked upon as more than just a set of numbers for the Fiscal Year.

The budget represents public policy incorporating legislative direction and oversight and administrative and legal controls. Budgeting is the process used for organizing human resources, equipment, materials, and other resources necessary to implement public policy directives, legal mandates, provide for public enjoyment and quality of life and to ensure public safety. The resources provided through the budget process are the means to achieve these objectives. The budget is also a management tool as it supports the work program designed to accomplish organizational objectives. The Strategic Priorities of the Town Council are reflected in the budget as are the ongoing provision of core services and enhanced services and programs for residents and guests.

The financial plan incorporated into the budget supports the current fiscal year requirements but also looks to maintain future financial stability and investment. This includes setting and funding reserves, managing ongoing costs, and planning for and incrementally funding capital investments. The process incorporates financial plans for major equipment replacement and to maintain and update operational systems. The Budget reflects planning for the operational costs of new facilities, maintenance of capital improvements, and incremental costs of ongoing services. The Town's tourism reliant economy requires planning for investment in public amenities and experiences within our natural landscape in partnership with federal agencies and other partners.

Budgetary Basis

The effective period of a budget is one fiscal year: July 1 to June 30. Certain services and activities are required by law and several revenues are restricted for specific purposes. The budget is organized by "fund", as the Town utilizes the principles of fund accounting to manage financial resources. A fund is a collection of accounts that record resources together with related requirements for a specific type of activity or objective. The Town maintains hundreds of revenue and expenditure accounts within 40 funds.

The budget may be the most important managerial tool available to local government, given that almost everything local government does is reflected in the budget. Virtually all governmental activities are funded through the budget, and budgeting and financial management are continuous processes. This makes the budget an effective tool for public officials, provides an effective resource allocation system, and is used at every level of governmental activity.

The budget is prepared on a line-item (account) basis by fund and department using historical trends, outside agency and consultant information, and management experience. A review of each revenue and expenditure is completed in preparing the budget. The Town's annual operating budget is prepared in conformity with Generally Accepted Accounting Principles (GAAP). The Town's accounting system is organized and operated on a fund basis. As previously mentioned, funds are established for the purpose of carrying on specific activities or attaining certain objectives in accordance with policy direction, special regulations, or legal restrictions.

All governmental funds are accounted for using the modified accrual basis of accounting in which revenues are recognized when they become measurable and available to finance expenditures of the fiscal period. Expenditures, except for un-matured interest on long-term debt, are recognized in the accounting period in which the liability is incurred. For example, sales and use taxes are considered "measurable revenue" when they are received by the Town. Revenues earned in the prior fiscal year are considered measurable and available if received by the Town within 60 days after year-end. The accounting records for enterprise and internal service funds are maintained on a full accrual basis. Accordingly, revenues are recognized in the accounting period earned and expenses are recognized in the period incurred. Trust and agency funds are accounted for on a cash basis (these funds are not included in this presentation).

Town Manager Budget Guidelines and Direction

The Town has enjoyed continued strong growth of revenues following the pandemic impacts of a few years ago. Visitation remains strong and the demand for lodging has kept the average daily rates high for the lodging community. The needs of the community and growth of Town core services have also grown with the addition of departments and expanded growth of the services they provide.

Department Heads have worked to develop their budgets to reflect the core services and anticipated impacts of the coming fiscal year. We have several large projects in process for the next year and some of those impacts are reflected in the budget as estimates. Actual impact, expense and revenue, is yet to be determined. The budget reflects investments to achieve Town Council Strategic Priorities including funding for the Housing Now! initiative, investments in sustainable recreation partnerships and projects, infrastructure planning and construction, community facilities, and enhanced municipal services. The budget continues to reflect a conservative approach in current and long-term operational costs. The approach provides for stable levels of service, investment in capital infrastructure, and the ability to invest in creating a more resilient community.

Budget Assumptions and Direction

The following assumptions and direction were used in developing the FY25-26 Budget:

1. The Town's Reserve for Economic Uncertainty (REU), and Operating Reserve (OR) were funded to the updated baseline target during the budget process.
2. Base General Fund operating budget includes \$19.5 Million in base transient occupancy tax (TOT). This reflects a conservative approach to budgeting this revenue source to allow for ongoing investment in priority capital programs and current service levels.
3. TOT collected as part of the Measure L initiative is not included in base TOT of \$19.5. Measure L TOT is accounted for in Housing Now! fund 245. The budget calculation for

TOT collection in fund 245 is based on the equivalent of \$25M in baseline TOT collection, resulting in an expected revenue of \$3,850,000 for housing programs.

4. The Town is in the second year of the Certified Properties program, producing \$837,500 in annual operating revenue from license renewal.
5. TOT allocation to Tourism, Transit and Housing remained at 18.08%, 6.54%, and 6.54% respectively for FY25-26. Agencies supported receive a flat amount, based on their contract with the Town with additional revenues used to meet defined operational programs, capital requirements and to investment in Town priorities such as the Housing Now! initiative. These additional investments are determined by Town Council action during quarterly budget review.
6. Programs previously funded through the direct allocation of funding to Mammoth Lakes Tourism are included as part of the Town's budget, including Mammoth Lakes Chamber of Commerce (\$324,000), Community/Trail Host program (\$100,000), King's Hockey Marketing (\$100,000), and fish stocking (\$50,000).
7. This year the Town incorporated a new initiative, utilizing Tourism reserve funds to fund wildfire protection efforts (\$545,000). The effort will serve to protect the investment the Town has recently made in Housing Now! with new facilities. The wildfire protection efforts will also serve to reduce potential impacts to income earning potential from our visitor-based economy.
8. The Town incorporated another new initiative to augment the ambulance services within Town. The current advanced life support (ALS) rig is part of the Mono County Emergency Management Services. The Mammoth Lakes Fire Protection District (MLFPD) also fields a basic life support rig, that is capable of providing surge capacity and transport. Partnering with MLFPD and Mammoth Hospital and the addition of \$150,000 from Tourism Reserve will enable the community to field a second ALS ambulance rig in the Town of Mammoth Lakes, providing a higher degree of service for both visitors and residents.
9. Continued allocation of \$580,000 for Road rehabilitation and related capital projects supported by reserves.
10. Measure U budget includes \$180,000 in debt service payment for a portion of the land acquired from the Mammoth Lakes Foundation (MLF) for the McCoy Arts and Cultural Center (MACC) construction.

The budget includes a robust capital program focused on achieving Town Council Strategic Priorities using a mix of revenues sources. Specific areas are noted and discussed in more detail throughout the budget information provided below. These assumptions and Council direction provide the base for preparing the recommended final budget.

Town of Mammoth Lakes Chart of Accounts

General Fund : Used to account for activities primarily supported by taxes, grants, and similar revenue sources

- 100 General Fund
- 101 General Fund Comprehensive Leave

Internal Service : Used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments on a cost-reimbursement basis.

- 910 Garage Services
- 915 Vehicle Replacement
- 930 EE 125 & Insurance Benefits

Capital Projects : Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets

- 300 Capital Projects
- 830 DIF Admin
- 831 DIF General Facilities & Equipment
- 832 DIF Law Enforcement
- 833 DIF Storm Drains
- 834 DIF Parks & Recreation
- 835 DIF MCOE Library
- 836 DIF Streets & Circulation
- 837 DIF Child Care
- 838 DIF Fire Facilities & Equipment
- 841 DIF Transit & Trails

Trust & Agency : Fiduciary funds are used to account for resources that a government holds as a trustee or agent on behalf of an outside party and that cannot be used to support government's own programs

- 850 Juniper Ridge AD
- 853 Bluff's Maint District 1996-4
- 854 North Village CFD 2001-1
- 856 Old Mammoth Rd BAD 2002-01
- 857 North Village BAD 2002-2
- 858 Fractional Mello CDF 2004-01
- 859 Mello Roos CFD 2005-01 In Lieu
- 860 Transit Facilities CFD 2013-3
- 861 Mammoth View BAD 2014-01

Restricted Revenue : Restricted for specific uses and funds remain in accounts until appropriate uses are designated by State law or voter initiative

- 205 Solid Waste
- 210 Gas Tax
- 215 Measure R Trails
- 216 Measure R
- 217 Measure U
- 218 TBID
- 220 Airport
- 245 Housing & Community Development
- 250 LTC

Enterprise Funds : Similar to business -used to account for activities that receive significant support from fees & charges

- 240 Long Valley Pit

Debt Service : Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal & interest, restriction based on Council policy

- 990 Debt Service

Note: Total 37 Funds with Activity

Town of Mammoth Lakes - Combined Fund Statement
Fiscal Year 25-26

Fund #	Name	Revenue	Transfer In	Total Resources	Expenditures	Transfer Out	Total Appropriations	Change in Fund Balance
100	General Fund	\$ 33,236,500	\$ 440,000	\$ 33,676,500	\$ 24,839,810	\$ 8,805,799	\$ 33,645,609	\$ 30,891
101	Comprehensive Leave	\$ 379,024	\$ -	\$ 379,024	\$ -	\$ -	\$ -	\$ 379,024
205	Solid Waste	\$ 415,000	\$ -	\$ 415,000	\$ 217,070	\$ -	\$ 217,070	\$ 197,930
210	Gas Tax	\$ 1,991,033	\$ 3,254,654	\$ 5,245,687	\$ 4,942,996	\$ 302,691	\$ 5,245,687	\$ -
215	Measure R - Trails	\$ -	\$ 300,000	\$ 300,000	\$ 300,000	\$ -	\$ 300,000	\$ -
216	Measure R - Sales Tax	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 131,500	\$ 1,200,227	\$ 1,331,727	\$ 668,273
217	Measure U - Utility Tax	\$ 1,110,000	\$ -	\$ 1,110,000	\$ 289,500	\$ 245,000	\$ 534,500	\$ 575,500
218	Tourism Business Improvement District (TBID)	\$ 7,400,000	\$ -	\$ 7,400,000	\$ 7,400,000	\$ -	\$ 7,400,000	\$ -
220	Airport Operations	\$ 2,702,648	\$ 1,164,095	\$ 3,866,743	\$ 3,866,744	\$ -	\$ 3,866,744	\$ -
240	Long Valley Pit	\$ 26,000	\$ -	\$ 26,000	\$ 3,000	\$ -	\$ 3,000	\$ 23,000
245	Housing & Community Development	\$ 3,850,000	\$ 730,478	\$ 4,580,478	\$ 4,545,500	\$ -	\$ 4,545,500	\$ 34,978
250	Local Transit Committee (LTC)	\$ 75,000	\$ -	\$ 75,000	\$ 35,000	\$ 40,000	\$ 75,000	\$ -
300	Capital Projects	\$ 38,480,000	\$ 187,691	\$ 38,667,691	\$ 44,773,449	\$ -	\$ 44,773,449	\$ (6,105,758)
830	DIF Admin	\$ -	\$ 21,040	\$ 21,040	\$ -	\$ -	\$ -	\$ 21,040
831	DIF General Facilities & Equipment	\$ 70,000	\$ -	\$ 70,000	\$ -	\$ 2,800	\$ 2,800	\$ 67,200
832	DIF Law Enforcement	\$ 42,000	\$ -	\$ 42,000	\$ -	\$ 1,680	\$ 1,680	\$ 40,320
833	DIF Storm Drains	\$ 42,000	\$ -	\$ 42,000	\$ -	\$ 1,680	\$ 1,680	\$ 40,320
834	DIF Parks & Recreation	\$ 35,000	\$ -	\$ 35,000	\$ -	\$ 1,400	\$ 1,400	\$ 33,600
835	DIF Mono County Office of Education - Library	\$ 32,000	\$ -	\$ 32,000	\$ 30,720	\$ 1,280	\$ 32,000	\$ -
836	DIF Streets & Circulation	\$ 35,000	\$ -	\$ 35,000	\$ -	\$ 1,400	\$ 1,400	\$ 33,600
837	DIF Mono County Office of Education - Child Care	\$ 40,000	\$ -	\$ 40,000	\$ -	\$ 1,600	\$ 1,600	\$ 38,400
838	DIF Fire Facility, Vehicle & Equipment	\$ 140,000	\$ -	\$ 140,000	\$ 134,400	\$ 5,600	\$ 140,000	\$ -
839	DIF Airport Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
840	DIF Public Art	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
841	DIF Transit & Trails	\$ 90,000	\$ -	\$ 90,000	\$ -	\$ 3,600	\$ 3,600	\$ 86,400
850	Juniper Ridge	\$ 48,000	\$ 35,000	\$ 83,000	\$ 76,000	\$ -	\$ 76,000	\$ 7,000
852	Bluffs - Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
853	Bluffs - Operations	\$ 165,900	\$ 25,000	\$ 190,900	\$ 79,000	\$ -	\$ 79,000	\$ 111,900
854	North Village - CFD	\$ 522,899	\$ -	\$ 522,899	\$ 522,899	\$ -	\$ 522,899	\$ -
856	Old Mammoth Road - Budget Assessment District	\$ 211,100	\$ 30,000	\$ 241,100	\$ 112,400	\$ -	\$ 112,400	\$ 128,700
857	North Village - Budget Assessment District	\$ 155,852	\$ 25,000	\$ 180,852	\$ 72,000	\$ -	\$ 72,000	\$ 108,852
858	Fractional Mello-Roos - Community Facility District	\$ 809,000	\$ 241,741	\$ 1,050,741	\$ 1,050,741	\$ -	\$ 1,050,741	\$ -
859	InLieu Mello-Roos - Community Facility District	\$ 2,470	\$ -	\$ 2,470	\$ 1,042	\$ -	\$ 1,042	\$ 1,428
860	Transit Facilities - Community Facility District	\$ 7,800	\$ -	\$ 7,800	\$ 3,317	\$ -	\$ 3,317	\$ 4,483
861	Mammoth View - Budget Assessment District	\$ 6,000	\$ -	\$ 6,000	\$ 6,000	\$ -	\$ 6,000	\$ -
910	Garage Services	\$ 1,562,653	\$ -	\$ 1,562,653	\$ 1,724,565	\$ 60,000	\$ 1,784,565	\$ (221,912)
915	Vehicle Replacement	\$ 516,300	\$ -	\$ 516,300	\$ -	\$ -	\$ -	\$ 516,300
930	Employee Insurance Benefits	\$ 329,376	\$ -	\$ 329,376	\$ 257,000	\$ -	\$ 257,000	\$ 72,376
990	Capital/ Debt Service	\$ 125,000	\$ 3,849,799	\$ 3,974,799	\$ 3,849,799	\$ -	\$ 3,849,799	\$ 125,000
	Reserve Accounts (REU, OR, Transit)	\$ -	\$ 370,259	\$ 370,259	\$ -	\$ -	\$ -	\$ 370,259
	Total	\$ 96,653,556	\$ 10,674,757	\$ 106,958,054	\$ 99,264,451	\$ 10,674,757	\$ 109,939,208	\$ (2,981,155)

Labor / Staff Updates

Staff tracks the change in cost for specific labor elements on an annual basis. Health insurance rates are provided on an annual (calendar year) basis by our service provider. This year we have estimated an increase of 3% for six months of the year. This increase, from rate only, is approximately \$62,831 and represents 13% of the total labor increases reflected in this budget. Merit increases are a part of the salary structure adopted by the Town to ensure we have competitive starting wages but reflect the expected increase in productivity as additional experience is gained over time. This is reflected as 5% steps for the General Employee Association (GEA) and Public Works Employee Association (PWEA). Ranges are also established in the Management Employee Association (MEA) but are a range and not reflected in specific steps. If the annual progression of each employee is deemed successful by their supervisor in an annual review, they will receive a 5% pay increase annually based on their hire date. When an employee reaches the top of their range, they no longer receive merit increases and the only pay increases are based on negotiated pay adjustments. The increased labor costs associated with merit increases is \$221,056 and represents 46% of the total labor increases reflected in this budget. The employment contracts for the employee associations are in the second year of the term and contain a 2 – 3% annual pay adjustment. The cumulative adjustment across all employee associations and contract employees is \$190,044 or 39% of the total labor increases reflected in this budget.

Employee Count Comparison

Full Time Equivalent (FTE) = 1 FTE is 2,080 hours

Employee Statistics	FY25-26 Budget Count	FY24-25 Budget Count	Change
Full Time Employees	98.50	93.25	5.25
Part Time Employees - Measured in Full Time Equivalents (FTE)			
Admin	0.5	0.5	(0.0)
Police	0.0	0.8	(0.8)
Recreation Programs	11.1	9.6	1.5
Parks Maintenance	1.0	0.5	0.5
Finance	0.9	0.9	0.0
Arts & Culture	0.0	1.0	(1.0)
Planning & Building	0.0	0.0	0.0
Capital Projects	0.8	0.8	0.0
Airport Operations	1.7	1.7	0.0
Measure R - Trails	1.9	2.1	(0.2)
Outdoor Recreation	0.9	1.9	(1.0)
Roads & Snow Removal	0.5	0.5	0.0
Facilities Maintenance	0.5	0.9	(0.4)
Total Part Time Employees (FTE)	19.7	21.2	(1.5)
Total Employee (FTE)	118.2	114.5	3.8

Full Time Adjustments.

While there are no staff additions requested for FY25-26, the variance in full-time staff represented in the FY25-26 budget as compared to the adopted budget for FY24-25 includes 5.25 additional FTE. All of these positions were added during the FY24-25 year, at various times based upon the needs of the organization. These adjustments are outlined below.

Full Time Employee	FTE Adjustment	
Police Officers	2.00	
Building Inspector	0.75	Added Last Qtr FY24-25
Fleet Superintendent	0.50	Mid-Year Retirement
HR Analyst	1.00	
Engineering Assistant	1.00	
	<hr/> 5.25	

Police Recruits / Police Officer – 2 FTE

During the 1st quarter budget review, staff requested the addition of three Police Recruits to attend the academy. This effort is intended to produce three police officers to augment our staff. As one position was vacant, the result was two additional full-time staff. The recruits started the academy on February 4, 2025. They are scheduled to graduate July 31, 2025. On August 1, 2025, they will go from recruits to police officers PO1/A step. However, they will be considered trainees while in the Field Training Program. They are scheduled to complete the program and be on their own by the end of December 2025. At that point, they will be considered police officers and will affect the schedule.

Building Inspector / Plans Examiner - .75 FTE

This position was part of the FY24-25 budget with a start date of April 2025. It was reflected in the prior budget FTE, which was counted as .25 for the last quarter of the year. As this position will be in the entire budget for FY25-26, it will count as 1 FTE resulting in an increase of .75 for the year. The recruitment is in process for this position with interviews and an offer in place.

Public Works – Fleet Organization - .5 FTE

In March 2025, staff provided the Town Council with a request for reorganization of the fleet team in order to establish an operational structure that would extend beyond the retirement of the Fleet Superintendent, (December 2025) and provide growth and training opportunities. This structure included the promotion of an existing Equipment Mechanic to Fleet Manager and a backfill for this promotion with recruitment of Equipment Mechanic. These adjustments have been completed, and the team is set. As the Fleet Superintendent position would remain for half the year in a special project and mentor role, it is counted as .5 FTE for FY25-26

Human Resource Analyst – 1FTE

The Human Resource Analyst position was previously a part-time position to support recruitment and onboarding for the department. With the success of the position in support of recruitment across all departments, in August of 2024 this position was converted to full-time with increased responsibilities.

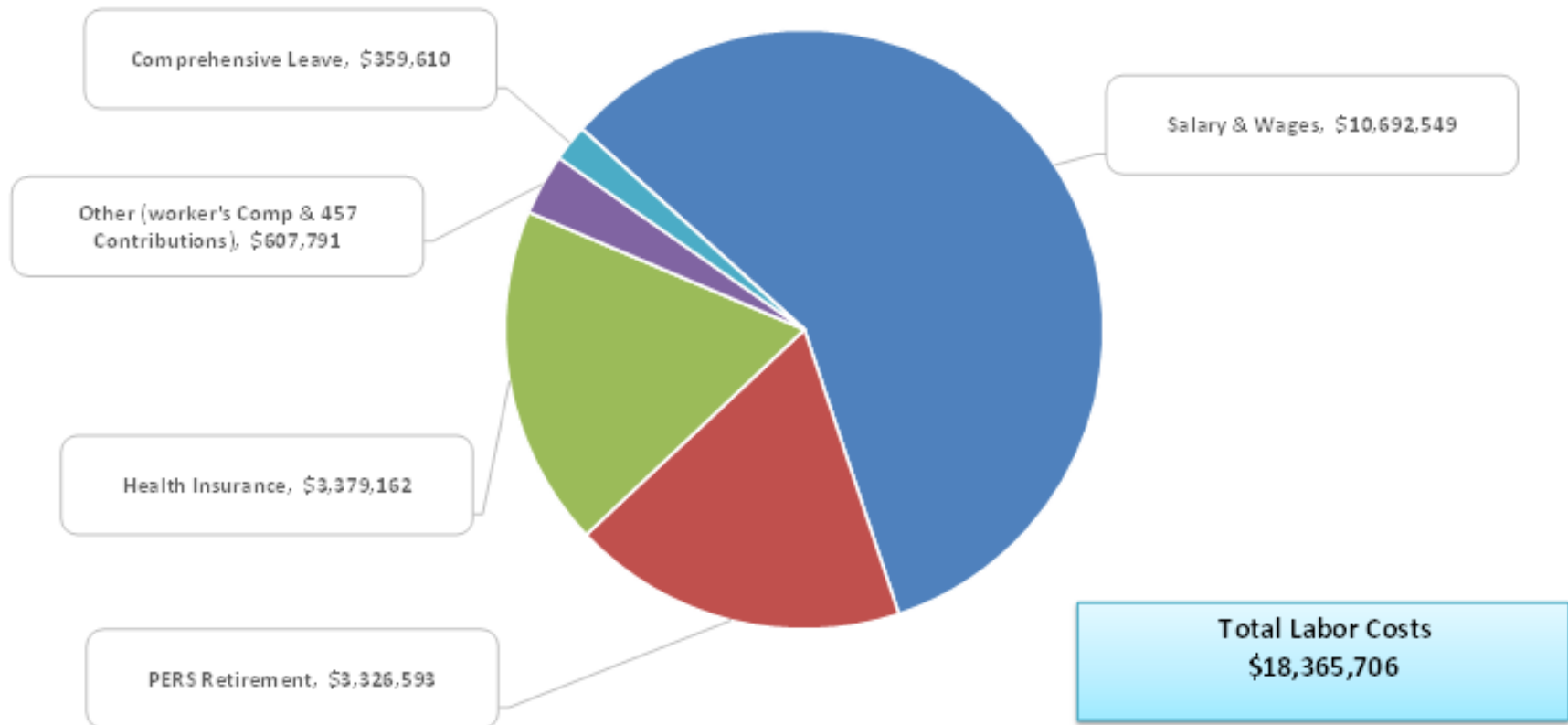
Engineering Assistant – 1FTE

As part of the FY 24-25 budget, a new position of Facility Manager was created, and a promotion resulted in a vacancy in Engineering Technician position support for Public Works. The public works department utilizes an intern program to augment services on a seasonal basis. With realized need to backfill support on a permanent basis, an existing intern was converted to full-time in the position of Engineering Assistant. This position supports capital project management, providing vital field work to support the engineering team.

Labor Costs - All Funds

Item	FY25-26 Budget Total	FY24-25 Budget Total	Variance by Item	% of Total Labor
Salary & Wages	\$ 10,692,549	\$ 10,197,530	4.9%	58.2%
PERS Retirement	\$ 3,326,593	\$ 3,274,381	1.6%	18.1%
Health Insurance	\$ 3,379,162	\$ 3,120,113	8.3%	18.4%
Other (worker's Comp & 457 Contributions)	\$ 607,791	\$ 603,291	0.7%	3.3%
Comprehensive Leave	\$ 359,610	\$ 326,683	10.1%	2.0%
	\$ 18,365,706	\$ 17,521,998	4.8%	100.0%
	Variance \$	843,708		
	%	4.82%		

Labor Costs - All Funds



Full-Time Staff - FY 2025-26

Account	Department	FTE	Salary	Comp	Leave	Health Insurance	457 Contribution	Total Health Ins	Worker's Comp	PERS	Total
100-413	Town Manager	2.0	\$ 355,869	\$ 25,984	\$ 84,619	\$ 3,510	\$ 88,129	\$ 19,338	\$ 103,099	\$ 592,419	
100-414	Town Clerk	2.0	\$ 203,264	\$ 3,625	\$ 86,941	\$ 2,400	\$ 89,341	\$ 10,563	\$ 66,034	\$ 372,827	
100-415	Finance	7.9	\$ 707,871	\$ 16,550	\$ 348,483	\$ 10,046	\$ 358,530	\$ 36,988	\$ 183,156	\$ 1,303,095	
100-417	Personnel	3.0	\$ 261,048	\$ 15,852	\$ 104,162	\$ 4,800	\$ 108,962	\$ 14,138	\$ 68,264	\$ 468,264	
100-420	Police	23.0	\$ 2,675,140	\$ 95,704	\$ 626,493	\$ 9,000	\$ 635,493	\$ 141,435	\$ 1,425,552	\$ 4,973,324	
100-432	Parks & Recreation Programs	4.1	\$ 444,678	\$ 25,853	\$ 115,037	\$ 5,520	\$ 120,557	\$ 23,980	\$ 131,374	\$ 746,443	
100-434	Whitmore Recreation Area	1.3	\$ 88,480	\$ 2,471	\$ 37,614	\$ 1,584	\$ 39,198	\$ 4,644	\$ 22,422	\$ 157,215	
100-436	Arts & Culture	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
100-438	Parks Maintenance	4.1	\$ 321,734	\$ 9,909	\$ 121,518	\$ 4,908	\$ 126,426	\$ 16,933	\$ 91,828	\$ 566,831	
100-440	Planning	4.6	\$ 505,862	\$ 19,334	\$ 166,346	\$ 6,132	\$ 172,478	\$ 26,816	\$ 142,509	\$ 866,999	
100-442	Building	5.0	\$ 449,994	\$ 15,467	\$ 212,702	\$ 5,976	\$ 218,678	\$ 23,859	\$ 126,124	\$ 834,122	
100-444	Code Compliance	1.0	\$ 71,944	\$ -	\$ 46,424	\$ 1,200	\$ 47,624	\$ 3,673	\$ 17,736	\$ 140,977	
100-445	Housing	1.2	\$ 99,878	\$ 954	\$ 52,854	\$ 1,452	\$ 54,306	\$ 5,148	\$ 25,401	\$ 185,687	
100-460	Engineering	5.8	\$ 582,535	\$ 13,047	\$ 155,432	\$ 6,262	\$ 161,694	\$ 30,410	\$ 159,620	\$ 947,305	
100-464	Facilities Maintenance	1.3	\$ 85,363	\$ 3,359	\$ 28,150	\$ 1,500	\$ 29,650	\$ 4,530	\$ 21,873	\$ 144,775	
100-467	Office of Outdoor Recreation	3.0	\$ 281,532	\$ 8,116	\$ 74,796	\$ 3,600	\$ 78,396	\$ 14,789	\$ 71,407	\$ 454,241	
100-475	Transit	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
General Fund Total		69.2	\$ 7,135,193	\$ 256,225	\$ 2,261,573	\$ 67,890	\$ 2,329,463	\$ 377,244	\$ 2,656,400	\$ 12,754,524	

Full-Time Staff - continued

Account	Department	FTE	Salary	Comp Leave	Health Insurance	457 Contribution	Total Health Ins	Worker's Comp	PERS	Total
205-490	Solid Waste	0.1	\$ 6,633	\$ 416	\$ 2,321	\$ 90	\$ 2,411	\$ 360	\$ 2,250	\$ 12,070
Solid Waste		0.1	\$ 6,633	\$ 416	\$ 2,321	\$ 90	\$ 2,411	\$ 360	\$ 2,250	\$ 12,070
210-450	Maintenance Streets (May-Sept)	5.3	\$ 411,030	\$ 15,212	\$ 176,013	\$ 6,360	\$ 182,373	\$ 21,763	\$ 114,625	\$ 745,004
210-452	Snow Removal (Oct-April)	8.9	\$ 682,457	\$ 23,221	\$ 297,241	\$ 10,680	\$ 307,921	\$ 36,031	\$ 190,848	\$ 1,240,480
210-456	Facilities Maintenance	0.1	\$ 5,932	\$ 448	\$ 2,252	\$ 120	\$ 2,372	\$ 326	\$ 1,573	\$ 10,651
Gas Tax		14.3	\$ 1,099,420	\$ 38,881	\$ 475,506	\$ 17,160	\$ 492,666	\$ 58,120	\$ 307,048	\$ 1,996,134
215-511	Measure R - Trails	0.0	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ 0	\$ 0
Measure R - Trails		0.0	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ 0	\$ 0
220-471	Airport	4.8	\$ 416,898	\$ 23,861	\$ 135,267	\$ 5,760	\$ 141,027	\$ 22,505	\$ 108,661	\$ 712,951
220-531	Airport AIP Capital Projects	0.2	\$ 22,494	\$ 1,573	\$ 5,818	\$ 240	\$ 6,058	\$ 1,229	\$ 5,933	\$ 37,287
Airport		5.0	\$ 439,392	\$ 25,434	\$ 141,085	\$ 6,000	\$ 147,085	\$ 23,733	\$ 114,594	\$ 750,238
250-540	LTC	0.1	\$ 11,409	\$ 387	\$ 2,091	\$ 120	\$ 2,211	\$ 602	\$ 3,511	\$ 18,120
Local Transportation Commission		0.1	\$ 11,409	\$ 387	\$ 2,091	\$ 120	\$ 2,211	\$ 602	\$ 3,511	\$ 18,120
300-530	Capital Projects - Streets	0.0	\$ 3,258	\$ 162	\$ 1,382	\$ 41	\$ 1,423	\$ 175	\$ 848	\$ 5,860
300-531	Capital Projects - Other	0.9	\$ 110,148	\$ 2,958	\$ 37,016	\$ 1,171	\$ 38,187	\$ 5,775	\$ 29,574	\$ 186,642
Capital Projects		1.0	\$ 113,407	\$ 3,120	\$ 38,397	\$ 1,212	\$ 39,609	\$ 5,950	\$ 30,417	\$ 192,503
857-452	OMR Assessment Snow Removal	0.2	\$ 16,482	\$ 590	\$ 7,250	\$ 264	\$ 7,514	\$ 872	\$ 4,528	\$ 29,986
856-531	OMR Capital	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
857-452	OMR Assessment Snow Removal	0.2	\$ 16,482	\$ 590	\$ 7,250	\$ 264	\$ 7,514	\$ 872	\$ 4,528	\$ 29,986
858-436	Fractional MelloRoos	1.7	\$ 145,604	\$ 4,250	\$ 53,821	\$ 2,040	\$ 55,861	\$ 7,651	\$ 36,944	\$ 250,310
Assessment Districts		2.1	\$ 178,568	\$ 5,431	\$ 68,322	\$ 2,568	\$ 70,890	\$ 9,395	\$ 46,000	\$ 310,283
910-456	Garage Facility Maintenance	6.8	\$ 541,916	\$ 29,717	\$ 203,861	\$ 8,160	\$ 212,021	\$ 29,187	\$ 148,574	\$ 961,415
Garage Services		6.8	\$ 541,916	\$ 29,717	\$ 203,861	\$ 8,160	\$ 212,021	\$ 29,187	\$ 148,574	\$ 961,415
Worksheet Total		98.5	\$ 9,525,937	\$ 359,610	\$ 3,193,156	\$ 103,200	\$ 3,296,356	\$ 504,591	\$ 3,308,794	\$ 16,995,288

Part-Time Staff

Account	Department	Salary	FTE	Health		PARS	Total
				Insurance			
100-410	Town Council	\$ 61,740	-	\$ 186,006	\$ 1,235	\$ 248,981	
100-413	Town Manager	\$ 28,773	0.47	\$ -	\$ 1,545	\$ 30,318	
100-415	Finance	\$ 57,545	0.94	\$ -	\$ 696	\$ 58,241	
100-420	Police	\$ -	-	\$ -	\$ 1,809	\$ 1,809	
100-432	Recreation Programs	\$ 199,284	4.16	\$ -	\$ 2,799	\$ 202,083	
100-434	Whitmore Recreation Area	\$ 108,651	2.26	\$ -	\$ 1,042	\$ 109,693	
100-436	Arts & Culture	\$ 44,787	-	\$ -	\$ 3,542	\$ 48,329	
100-438	Parks Maintenance	\$ 20,170	0.95	\$ -	\$ 3,484	\$ 23,654	
100-464	Facilities	\$ 52,433	0.46	\$ -	\$ 824	\$ 53,257	
100-467	Office of Outdoor Rec	\$ 81,116	0.94	\$ -	\$ 824	\$ 81,940	
		\$ 654,499	10.19	\$ 186,006	\$ 17,799	\$ 858,304	
210-452	Temp Snow Removal	\$ 30,211	0.47	\$ -	\$ -	\$ 30,211	
215-438	Measure R - Trails	\$ 102,667	1.86	\$ -	\$ -	\$ 102,667	
220-471	Airport Operations	\$ 100,992	1.67	\$ -	\$ -	\$ 100,992	
300-530	Capital Projects - Streets	\$ 16,806	0.38	\$ -	\$ -	\$ 16,806	
300-531	Capital Projects - Other	\$ 16,806	0.38	\$ -	\$ -	\$ 16,806	
		\$ 267,484	4.77	\$ -	\$ -	\$ 267,484	
858-436	Fractional MelloRoos	\$ 244,629	4.72	\$ -	\$ -	\$ 244,629	
		\$ 1,166,613	19.7	\$ 186,006	\$ 17,799	\$ 1,370,417	

Number of Employees

Full-time employment	98.5
Part-time employment (FTE)	19.7
	<u>118.2</u>

Fund 100 - General Fund

Revenue

The budget revenue projections presented to the Town Council on June 4th included a review of changes in budget from the preliminary budget to the tentative budget based upon additional research and analysis. Since the Tentative budget presentation, staff have continued to work to ensure all aspects of the budget are addressed. In order to provide a positive budget, staff has increased a few elements of the property tax and sales tax estimates. Both of these estimates are conservative, and these adjustments are well within the expectation of revenue potential. In total revenue has increased \$270,000 since the tentative budget, bringing the General Fund revenue to \$33,676,500 for FY25-26. Below is a summary of General Fund revenue adjustments:

Fund 100 - General Fund

Revenue Adjustments since Tentative Budget presentation

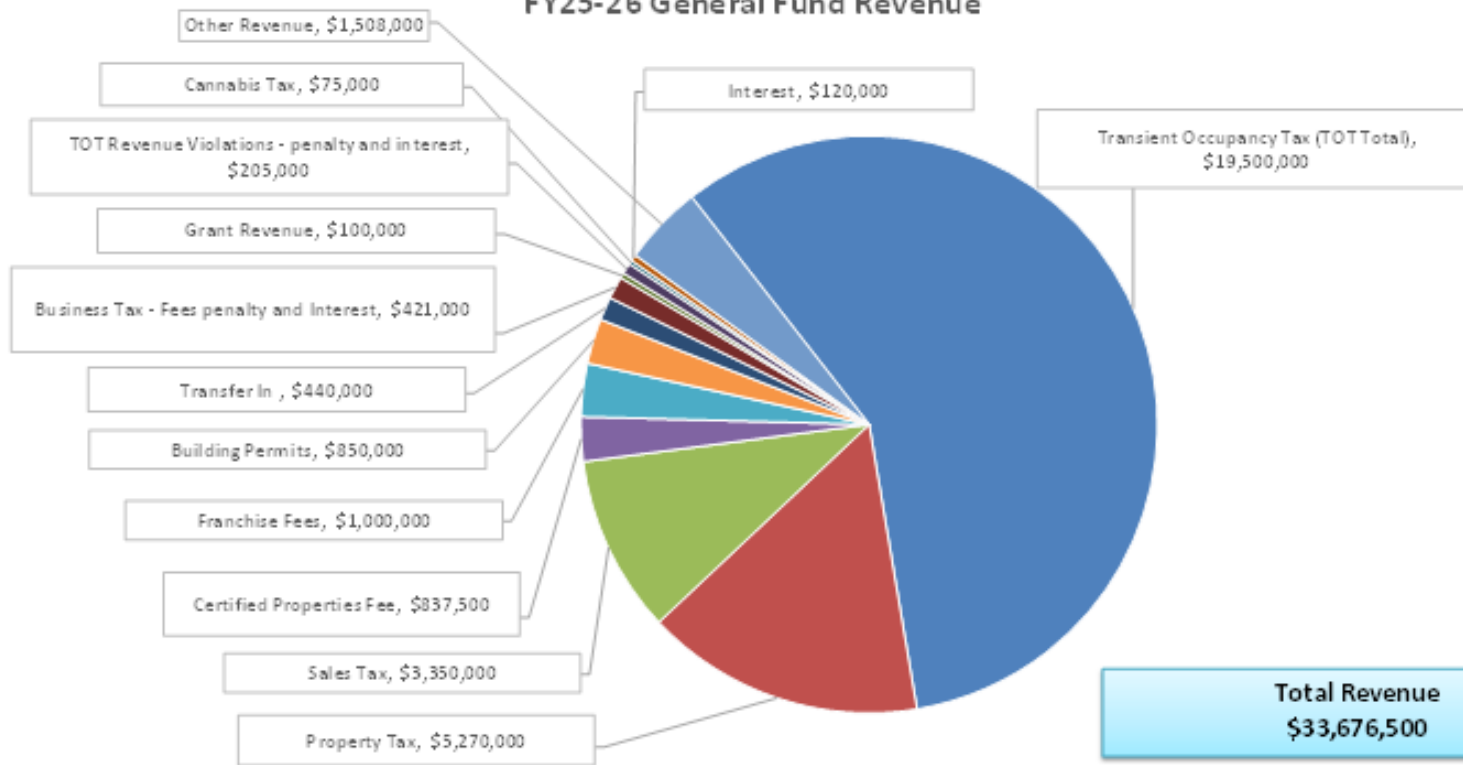
Tentative Budget Presentation - June 4th. \$ 33,406,500

Account	Description	Original Amount	New Amount	change amount	Notes
100-000-30202	Property Tax Secured	\$ 3,400,000	\$ 3,500,000	\$ 100,000	Property Tax Revenue updates
100-000-30210	Prior Secured & Escapes	\$ 20,000	\$ 30,000	\$ 10,000	Property Tax Revenue updates
100-000-30260	Property Tax-In Lieu VLF	\$ 1,040,000	\$ 1,100,000	\$ 60,000	Property Tax Revenue updates
100-000-30402	Sales Tax	\$ 3,250,000	\$ 3,350,000	\$ 100,000	Sales Tax Revenue update
Total Revenue Changes				\$ 270,000	
Final Budget - General Fund Revenue				\$ 33,676,500	

Major Revenue Components

Item	FY22-23 Actual	FY23-24 Actual	FY24-25 Adopted Budget	FY25-26 Proposed Budget	Variance to FY24-25	%	% of Total Revenue
Transient Occupancy Tax (TOT)	\$ 29,482,552	\$ 27,666,698	\$ 18,500,000	\$ 19,500,000	\$ 1,000,000	5.4%	57.9%
TOT Revenue Violations	\$ 199,485	\$ 75,701	\$ 80,000	\$ 80,000	\$ -	0.0%	0.2%
TOT Penalty and Interest	\$ 367,017	\$ 240,932	\$ 100,000	\$ 125,000	\$ 25,000	25.0%	0.4%
Total TOT Revenue	\$ 30,049,055	\$ 27,983,332	\$ 18,680,000	\$ 19,705,000	\$ 1,025,000	5.5%	58.5%
Property Tax	\$ 5,374,261	\$ 5,446,151	\$ 4,950,000	\$ 5,270,000	\$ 320,000	6.5%	15.6%
Sales Tax	\$ 3,766,418	\$ 3,616,593	\$ 3,250,000	\$ 3,350,000	\$ 100,000	3.1%	9.9%
Franchise Fees	\$ 989,217	\$ 1,144,586	\$ 900,000	\$ 1,000,000	\$ 100,000	11.1%	3.0%
Certified Properties Fee	\$ -	\$ -	\$ 1,350,000	\$ 837,500	\$ (512,500)	-38.0%	2.5%
Other Revenue							
Building Permits	\$ 877,731	\$ 1,702,958	\$ 850,000	\$ 850,000	\$ -	0.0%	2.5%
Business Tax (New, Renewal, and Penalties)	\$ 427,688	\$ 458,853	\$ 401,000	\$ 421,000	\$ 20,000	5.0%	1.3%
Cannabis Tax	\$ 127,765	\$ 119,694	\$ 120,000	\$ 75,000	\$ (45,000)	-37.5%	0.2%
Interest	\$ 924,642	\$ 1,661,263	\$ 120,000	\$ 120,000	\$ -	0.0%	0.4%
Grant Revenue	\$ 195,664	\$ 137,212	\$ 130,000	\$ 100,000	\$ (30,000)	-23.1%	0.3%
Transfer In	\$ 3,157,449	\$ 437,959	\$ 425,000	\$ 440,000	\$ 15,000		1.3%
Misc Revenue	\$ 2,354,051	\$ 2,036,969	\$ 1,676,365	\$ 1,508,000	\$ (168,365)	-10.0%	4.5%
Total Budgeted Revenue (General Fund)	\$ 48,243,942	\$ 44,745,569	\$ 32,852,365	\$ 33,676,500	\$ 824,135	2.5%	100.0%

FY25-26 General Fund Revenue



Expenditures

There were a few updates to expenditures since the June 4th tentative budget presentation. During review of vehicle replacement and garage services, several changes were made that had an effect on overall general fund expenditures. The annual increase in vehicle replacement cost was typically 3% and has increased to 3.5% as we have not been keeping up with the cost of inflation. This change had an impact on several General Fund departments as well as Gas Tax, Airport and CRC expenses. We also added two technology packages, Body Worn Camera, Tasers, Media Storage for two of the police recruits set to graduate from the Academy. In total, these expenditure adjustments increased expense by \$171,536 for the General Fund bringing the total expenditures to \$33,645,609 for FY25-26. The chart below reconciles these changes:

Fund 100 - General Fund

Expense Adjustments since Tentative Budget presentation

Tentative Budget Presentation - June 4th.

\$ 33,474,073

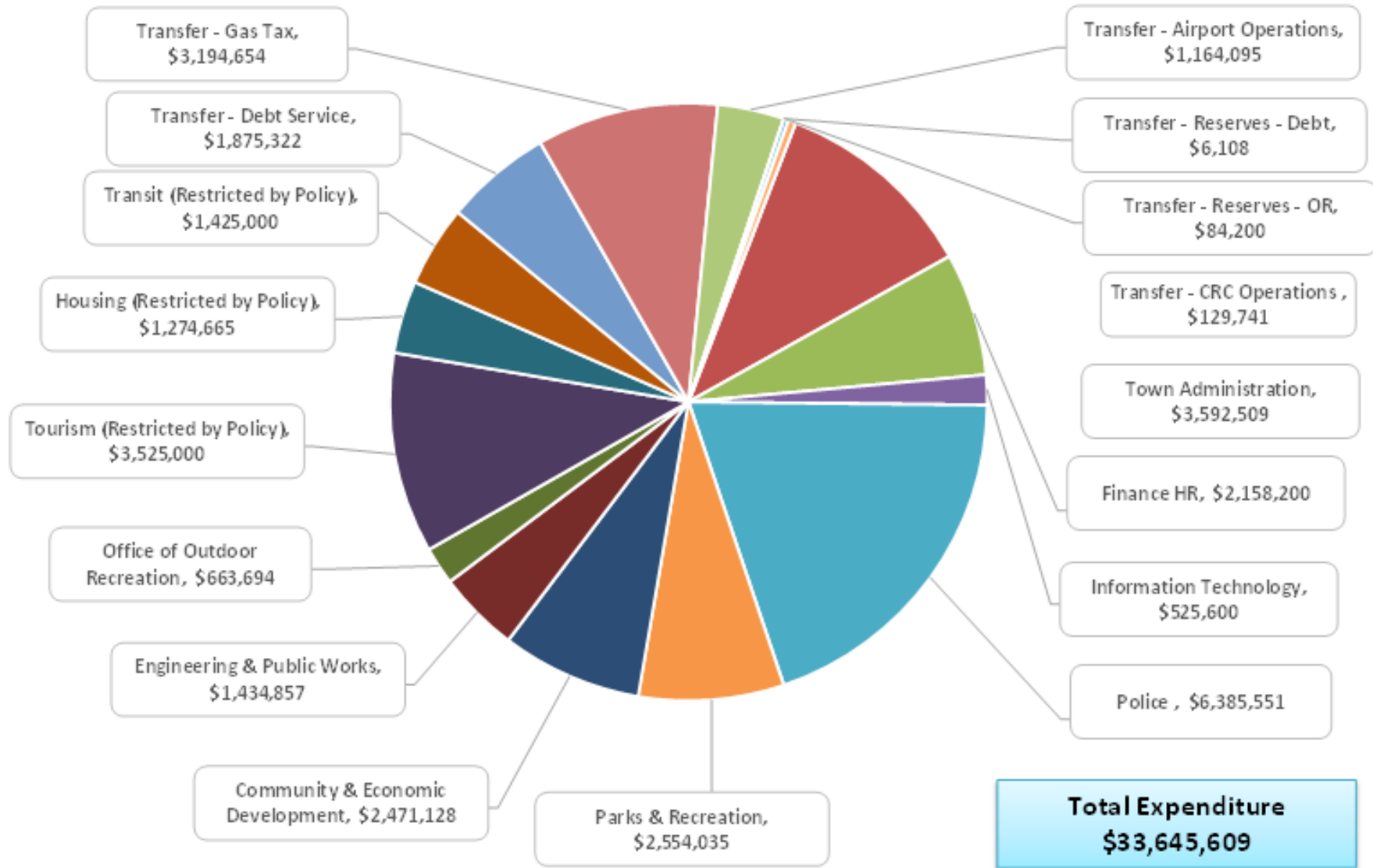
Account	Description	Original Amount	New Amount	change amount	Notes
100-420-43031	Contractual Services	\$ 231,000	\$ 237,000	\$ 6,000	Additional BWC and Tasers for new Officers
Various	Vehicle Replacement	\$ 52,164	\$ 179,000	\$ 126,836	Missing Division 2 Parks, Updated vehicle annual increase.
Various	Garage Services	\$ 85,000	\$ 169,000	\$ 84,000	Missing Division 2 Parks, other adjustments
100-599-49999	Transfer Out	\$ 7,680,671	\$ 7,622,468	\$ (58,203)	Adjusted transfer to Gas Tax to cover Vehicle Replacement changes
100-599-49999	Transfer Out	\$ 7,622,468	\$ 7,631,070	\$ 8,602	Adjusted transfer to Airport to cover Vehicle Replacement changes
100-599-49999	Transfer Out	\$ 7,631,070	\$ 7,635,370	\$ 4,300	Adjusted transfer to CRC to cover Vehicle Replacement changes
Total Revenue Changes				\$ 171,536	
Final Budget - General Fund Expense				\$ 33,645,609	

Department Expense Summary

General Fund Expenditures by Department

Department	FY22-23 Actual	FY23-24 Actual	FY24-25 Budget	FY25-26 Budget	Variance to Prior Year Budget	
DEPT 410 - TOWN COUNCIL	\$ 194,586	\$ 245,329	\$ 261,876	\$ 260,981	\$ (895)	-0.3%
DEPT 412 - LEGAL SERVICES	\$ 212,397	\$ 261,342	\$ 225,000	\$ 225,000	\$ -	0.0%
DEPT 413 - TOWN ADMINISTRATION	\$ 619,708	\$ 683,081	\$ 644,588	\$ 670,419	\$ 25,831	4.0%
DEPT 414 - TOWN CLERK	\$ 358,019	\$ 401,827	\$ 391,733	\$ 415,577	\$ 23,844	6.1%
DEPT 415 - FINANCE	\$ 1,418,079	\$ 1,466,319	\$ 1,660,631	\$ 1,652,936	\$ (7,695)	-0.5%
DEPT 416 - GENERAL SERVICES	\$ 1,253,026	\$ 1,679,498	\$ 2,013,380	\$ 2,020,532	\$ 7,152	0.4%
DEPT 417 - HUMAN RESOURCES	\$ 383,127	\$ 372,307	\$ 378,149	\$ 505,264	\$ 127,115	33.6%
DEPT 418 - INFORMATION SERVICES	\$ 557,601	\$ 549,140	\$ 525,600	\$ 525,600	\$ -	0.0%
DEPT 420 - POLICE SERVICES	\$ 5,096,686	\$ 5,495,161	\$ 5,929,819	\$ 6,385,551	\$ 455,732	7.7%
DEPT 432 - RECREATION PROGRAMS	\$ 921,970	\$ 1,092,381	\$ 1,169,520	\$ 1,251,326	\$ 100,806	8.6%
DEPT 434 - WHITMORE POOL & REC AREA	\$ 388,517	\$ 400,445	\$ 382,544	\$ 423,908	\$ 41,364	10.8%
DEPT 436 - ARTS & CULTURE	\$ 55,608	\$ 22,542	\$ 102,333	\$ 177,829	\$ 75,496	100.0%
DEPT 438 - PARKS, BLDGS & TRAIL MAINT	\$ 726,606	\$ 820,610	\$ 827,789	\$ 878,801	\$ 51,012	6.2%
DEPT 440 - PLANNING DIVISION	\$ 1,335,462	\$ 1,539,033	\$ 1,265,847	\$ 1,273,399	\$ 72,316	5.7%
DEPT 442 - BUILDING DIVISION	\$ 809,806	\$ 966,012	\$ 977,584	\$ 876,072	\$ (101,512)	-10.4%
DEPT 444 - CODE COMPLIANCE	\$ 121,946	\$ 126,266	\$ 143,053	\$ 143,827	\$ 774	0.5%
DEPT 445 - HOUSING PROGRAMS & PLANNING	\$ 1,819,554	\$ 1,372,737	\$ 1,209,805	\$ 1,274,665	\$ 64,860	5.4%
DEPT 460 - ENG, PUBLIC WORKS & ADMIN	\$ 893,163	\$ 1,042,560	\$ 996,354	\$ 1,069,825	\$ 73,471	7.4%
DEPT 464 - FACILITIES MAINTENANCE	\$ 156,762	\$ 249,103	\$ 313,331	\$ 365,031	\$ 51,700	16.5%
DEPT 467 - OFFICE OF OUTDOOR RECREATION	\$ 518,450	\$ -	\$ 650,560	\$ 663,694	\$ 13,134	100.0%
DEPT 475 - TRANSIT SERVICES	\$ 1,184,605	\$ 1,093,815	\$ 1,359,600	\$ 1,425,000	\$ 65,400	4.8%
DEPT 480 - TOURISM & BUSINESS DEVELOPMENT	\$ 5,222,506	\$ 4,234,454	\$ 3,344,200	\$ 3,525,000	\$ 180,800	5.4%
INTERFUND TRANSFER	\$ 18,928,668	\$ 18,410,437	\$ 8,008,292	\$ 7,635,370	\$ (372,922)	-4.7%
Sub-Total	\$ 24,248,181	\$ 24,113,961	\$ 24,773,296	\$ 26,010,238	\$ 1,320,706	5.3%
Transfer Out	\$ 18,928,668	\$ 18,410,437	\$ 8,008,292	\$ 7,635,370	\$ (372,922)	-4.7%
Total General Fund	\$ 43,176,849	\$ 42,524,398	\$ 32,781,588	\$ 33,645,609	\$ 947,785	2.9%

FY25 - 26 General Fund Expenditure



Fund 205 Solid Waste

The Solid Waste Fund accounts for restricted revenues related to providing solid waste related services and programs and was established in FY18-19. The majority of the solid waste programs and services are provided by Mammoth Disposal under a Solid Waste Franchise Agreement. The Fund supports recycling and trash services for Town facilities, Town clean up, and staff time associated with managing the Solid Waste Franchise agreement and services. The renewal of the Solid Waste Franchise Agreement in FY 19-20 adjusted the franchise fees by 4.5% from 5% to 9.5%. Two percent of the increase was retained in the General Fund and 2.5% percent is deposited in the Solid Waste Fund. The fees deposited here represent an AB939 fee collected under the new franchise agreement and are estimated at \$150,000 for FY25-26. AB 939 fees are dedicated to meeting recycling mandates by funding facilities and programs to divert waste from landfills and increase recycling efforts. Previously an amount equal to 2% was being received and set aside to assist in the development of new solid waste facilities, this amount was formally incorporated into the franchise fee with the new agreement resulting in a net franchise fee increase of 2.5%. A Solid Waste Parcel fee is levied in Mono County and was shared with the Town by the County under a previous agreement. The parcel fee may be used to fund solid waste-related infrastructure and operations, as well as closing costs associated with the Benton Crossing Landfill. The Town generates close to \$500,000 for solid waste services from the fee for County solid waste operations.

Fund 210 Gas Tax

Gas Tax Fund only has minor edits from the preliminary budget, related to transfer out for assessment district snow removal expense and updates to staff allocation charges as noted in the General Fund expenditures section of this report. The Gas Tax fund is in balance with total revenue of \$5,245,687 matching expenditures for FY25-26

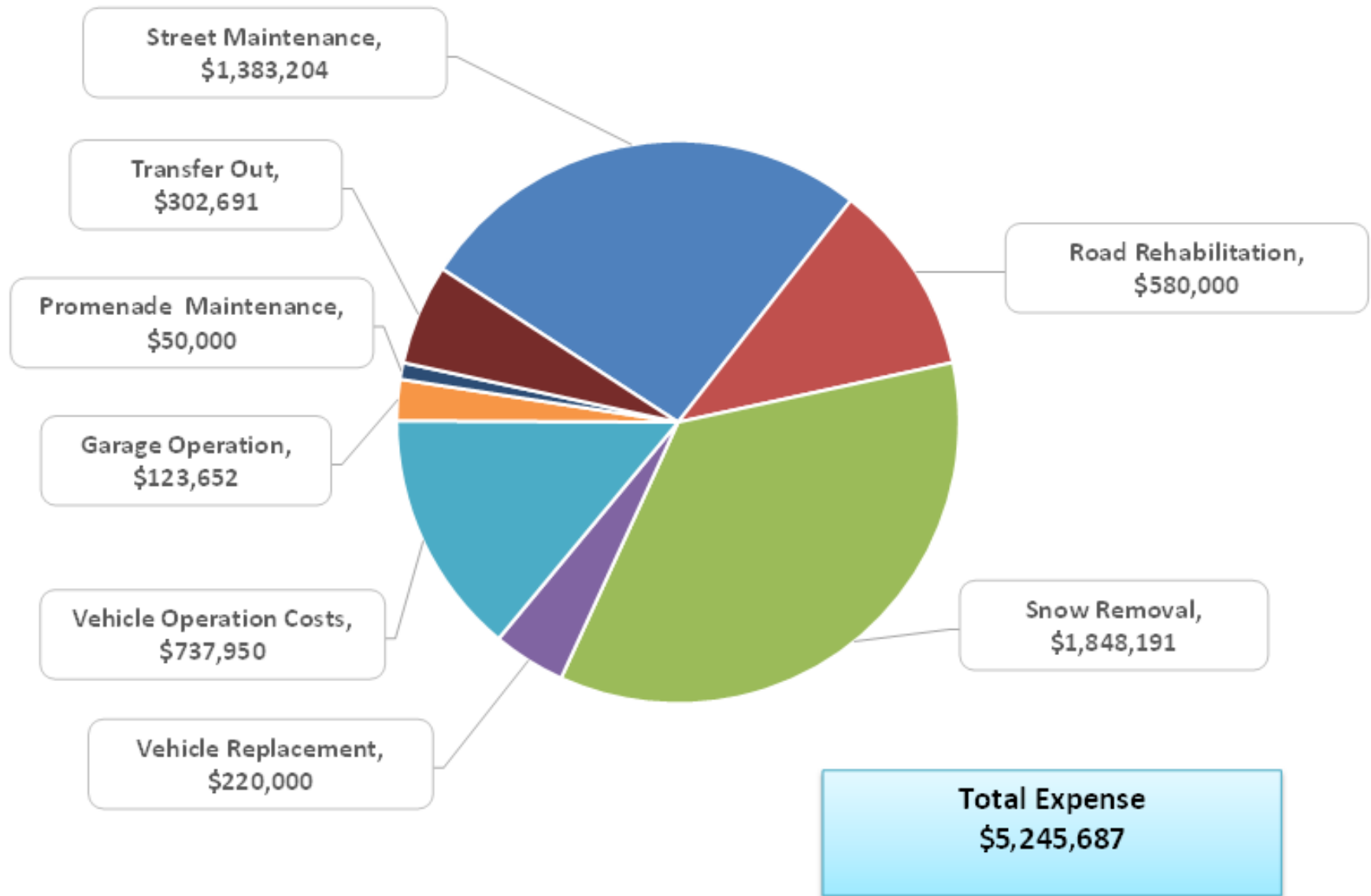
Gas Tax Fund Revenue by Category

Item	FY21-22 Actual	FY22-23 Actual	FY23-24 Actual	FY24-25 Budget	FY25-26 Budget	Variance to Prior Year Budget	
Gas Tax	\$ 220,269	\$ 230,958	\$ 150,071	\$ 230,342	\$ 230,342	\$ -	0.0%
Gas Tax - Snow Removal	\$ 1,495,924	\$ 1,724,600	\$ -	\$ 1,550,000	\$ 1,550,000	\$ -	0.0%
Gas Tax - SB1	\$ 162,561	\$ 184,168	\$ 3,124,659	\$ 187,691	\$ 187,691	\$ -	0.0%
Total Gas Tax	\$ 1,878,754	\$ 2,139,726	\$ 3,274,730	\$ 1,968,033	\$ 1,968,033	\$ -	0.0%
Transfer In - General Fund & Garage	3,506,199	3,460,139	3,579,611	3,273,719	3,254,654	\$ (19,065)	-0.6%
Misc Revenue	168,058	123,154	99	23,000	23,000	\$ -	0.0%
Total Gas Tax Revenue	\$ 5,553,011	\$ 5,723,020	\$ 6,854,440	\$ 5,264,752	\$ 5,245,687	\$ (19,065)	-0.4%

Gas Tax Fund Expenditures by Category

Department	FY21-22 Actual	FY22-23 Actual	FY23-24 Actual	FY24-25 Budget	FY25-26 Budget	Variance to Prior Year Budget	
Street Maintenance	\$ 999,718	\$ 1,317,522	\$ 1,017,108	\$ 1,341,264	\$ 1,383,204	\$ 41,940	3.1%
Road Rehabilitation	\$ 44,363	\$ 25,987	\$ 11,715	\$ 580,000	\$ 580,000	\$ -	0.0%
Snow Removal	\$ 2,246,726	\$ 1,798,288	\$ 1,574,979	\$ 1,826,242	\$ 1,848,191	\$ 21,949	1.2%
Vehicle Replacement	\$ 770,364	\$ 738,396	\$ -	\$ 228,203	\$ 220,000	\$ (8,203)	-3.6%
Vehicle Operation Costs	\$ 1,201,992	\$ 1,485,331	\$ 684,556	\$ 787,250	\$ 737,950	\$ (49,300)	-6.3%
Garage Operation	\$ 150,225	\$ 144,239	\$ 121,005	\$ 123,403	\$ 123,652	\$ 249	0.2%
Promenade Maintenance	\$ 33,727	\$ -	\$ 25,980	\$ 50,000	\$ 50,000	\$ -	0.0%
Operational Costs	\$ 5,447,115	\$ 5,509,762	\$ 3,435,343	\$ 4,936,362	\$ 4,942,996	\$ 6,634	0.1%
Transfer Out - Assessment District Snow	\$ 77,251	\$ 281,820	\$ -	\$ 140,000	\$ 115,000	\$ (25,000)	-17.9%
Transfer Out - SB1 & Road funds for Capit	\$ 84,845	\$ 50,000	\$ -	\$ 187,691	\$ 187,691	\$ -	0.0%
Total Transfers Outs	\$ 162,096	\$ 331,820	\$ -	\$ 327,691	\$ 302,691	\$ (25,000)	-7.6%
Total Gas Tax Expenditures	\$ 5,609,211	\$ 5,841,582	\$ 3,435,343	\$ 5,264,053	\$ 5,245,687	\$ (18,366)	-0.3%

FY25-26 Gas Tax Budget



Measure R and U – Restricted Funding

Revenues generated from two voter initiatives commonly referred to as Measure R and Measure U are restricted in use by the language of the initiatives. The Town Council has designated Mammoth Lakes Recreation (MLR) to be the body to take public input on the proposed use of these funds and to make recommendations to the Town Council for consideration. The MLR Board met on May 13, 2025, for the initial review of the proposed budget allocations of Measure R and U funds for FY25-26. The final budget will include any recommendations provided by MLR during their budget hearing scheduled in June.

Measure R - Trails (Fund 215) receives a transfer of \$300,000 from Measure R (Fund 216) where sales tax proceeds are received. This allocation remains consistent with the prior year's allocation. The Trails fund is separated from the Measure R fund in order to provide clarity on expenditures for this important recreation amenity, as well as accumulate a fund balance to help with future trail construction projects. With the creation of the General Fund department 467 – Office of Outdoor Recreation in FY22-23, many of the trails administrative expenses have been moved to this new department. The only remaining labor expense in this fund is used specifically for trail construction. This includes an allocation of full-time public works maintenance worker who is allocated for the summer and a crew of part-time employees. The FY 25-26 budget has balanced revenue and expenditure with no planned change in fund balance.

Measure R Trails

Revenue	Amount	Notes
Transfer In - Fund 216	\$ 300,000	Measure R - Trails Construction support
	\$ 300,000	
Expenditures		
Staff and Labor	\$ 102,668	Trail Construction Labor
Contractual Services	\$ 146,732	Funds available for contract trails production
Misc Expenses	\$ 30,600	
Trail Signage	\$ 20,000	SHARP
Total Expenditures	\$ 300,000	

Change in Fund Balance	\$ -
------------------------	------

Measure R (Fund 216) is budgeted to receive \$2,000,000 in Sales Transactions and Use Tax revenues for FY25-26. The fund has operating expenditures of \$718,500 for FY25-26. The Community Recreation Center (CRC) has been in operation since FY23-24, and the operational plan includes \$112,000 in annual support from Measure R. This support helps reduce the fees required for the public and therefore the affordability of the new center. The budget includes support for the Office of Outdoor Recreation in the form of \$100,000 for the Trails Manager, \$50,000 for the Trails Program Manager, formerly the Recreation Coordinator, and \$25,000 for

the Office of Outdoor Recreation Manager. These positions are critical for the management of trails and other outdoor recreation amenities and are the primary Town staff supporting Mammoth Lakes Recreation. The budget includes \$98,000 for the contract with Mammoth Lakes Recreation to fund operations for FY25-26.

Measure R - Annual Revenue	
Sales Tax: Measure R	\$ 2,000,000
Total Annual Revenue	\$ 2,000,000

Measure R - Annual Expenses		
Transfer to Fund 215 - Trails	\$ 300,000	
Community Recreation Center Support	\$ 112,000	
Transfer to Fund 100 - Trails Manager	\$ 100,000	
MLR Town Agreement - Administration	\$ 98,000	
Transfer to Fund 100 - Trails Program Manager	\$ 50,000	Formerly Recreation Coordinator
Transfer to Fund 100 - Office of Outdoor Recreation Manager	\$ 25,000	
Special Projects	\$ 25,000	
Audit Services	\$ 4,500	
Equipment Replacement	\$ 2,000	
Equipment Maintenance	\$ 2,000	
Total Annual Expenses	\$ 718,500	

Measure R - Fund Balance Allocation (One-Time)	
Measure R - One-Time Funding	\$ -

Measure R - Debt Service	
CRC Financing	\$ 613,227
Measure R - Total Expense	\$ 1,331,727

Change in Fund Balance	668,273
-------------------------------	----------------

In October 2017, the Town acquired \$5.5 million in debt secured by Measure R for construction of a multi-use facility. The annual payment for this 10-year bond is based on a payment schedule and includes \$613,227 for FY25-26. This payment is included in the FY25-26 budget as a transfer out to fund 990 Debt Service, where all debt payments are made. Below is the debt service schedule for this debt.

Installment Sales Agreement (2017) - Multi Use Facility

Schedule C

Amount \$ 5,500,000
Interest Rate 2.230%
Term 10 Years

Date	Beginning Balance	Annual Interest Accrued	Payment - Principal	Payment - Interest	Total Payment	Annual Debt Service	Ending Balance
19-Oct-17	\$ 5,500,000	\$ -	\$ -	\$ -	\$ -		\$ 5,500,000
1-Apr-18	\$ 5,500,000	\$ 55,193	\$ -	\$ 55,193	\$ 55,193	\$ 55,193	\$ 5,500,000
1-Oct-18	\$ 5,500,000	\$ 61,325	\$ 495,000	\$ 61,325	\$ 556,325		\$ 5,005,000
1-Apr-19	\$ 5,005,000	\$ 55,806	\$ -	\$ 55,806	\$ 55,806	\$ 612,131	\$ 5,005,000
1-Oct-19	\$ 5,005,000	\$ 55,806	\$ 510,000	\$ 55,806	\$ 565,806		\$ 4,495,000
1-Apr-20	\$ 4,495,000	\$ 50,119	\$ -	\$ 50,119	\$ 50,119	\$ 615,925	\$ 4,495,000
1-Oct-20	\$ 4,495,000	\$ 50,119	\$ 520,000	\$ 50,119	\$ 570,119		\$ 3,975,000
1-Apr-21	\$ 3,975,000	\$ 44,321	\$ -	\$ 44,321	\$ 44,321	\$ 614,441	\$ 3,975,000
1-Oct-21	\$ 3,975,000	\$ 44,321	\$ 530,000	\$ 44,321	\$ 574,321		\$ 3,445,000
1-Apr-22	\$ 3,445,000	\$ 38,412	\$ -	\$ 38,412	\$ 38,412	\$ 612,733	\$ 3,445,000
1-Oct-22	\$ 3,445,000	\$ 38,412	\$ 545,000	\$ 38,412	\$ 583,412		\$ 2,900,000
1-Apr-23	\$ 2,900,000	\$ 32,335	\$ -	\$ 32,335	\$ 32,335	\$ 615,747	\$ 2,900,000
1-Oct-23	\$ 2,900,000	\$ 32,335	\$ 555,000	\$ 32,335	\$ 587,335		\$ 2,345,000
1-Apr-24	\$ 2,345,000	\$ 26,147	\$ -	\$ 26,147	\$ 26,147	\$ 613,482	\$ 2,345,000
1-Oct-24	\$ 2,345,000	\$ 26,147	\$ 565,000	\$ 26,147	\$ 591,147		\$ 1,780,000
1-Apr-25	\$ 1,780,000	\$ 19,847	\$ -	\$ 19,847	\$ 19,847	\$ 610,994	\$ 1,780,000
1-Oct-25	\$ 1,780,000	\$ 19,847	\$ 580,000	\$ 19,847	\$ 599,847		\$ 1,200,000
1-Apr-26	\$ 1,200,000	\$ 13,380	\$ -	\$ 13,380	\$ 13,380	\$ 613,227	\$ 1,200,000
1-Oct-26	\$ 1,200,000	\$ 13,380	\$ 595,000	\$ 13,380	\$ 608,380		\$ 605,000
1-Apr-27	\$ 605,000	\$ 6,746	\$ -	\$ 6,746	\$ 6,746	\$ 615,126	\$ 605,000
1-Oct-27	\$ 605,000	\$ 6,746	\$ 605,000	\$ 6,746	\$ 611,746	\$ 611,746	\$ -
Totals		\$ 690,743	\$ 5,500,000	\$ 690,743	\$ 6,190,743	\$ 6,190,743	

Measure U (Fund 217) is projected to receive revenue of \$1,110,000 in collection of User Utility Tax for FY25-26. This is an increase of \$187,000 from the previous year based on analysis of actual revenue collected. This budgeted revenue remains conservative as the average revenue collected is slightly higher than these estimates and does not include any estimate for interest. Interest is determined by available interest rates from standard investment tools as well as the balance on hand. Both of these components are highly variable and therefore not included as a revenue estimate. Any interest received will contribute to covering expenditure and ultimately will end up contributing to fund balance increases.

The bulk of the expenditure remained unchanged for FY25-26 with the exception of the return of \$15,000 in support of the Edison Theater operations. This theater was under construction for a remodel in FY24-25 and was not open for operations. The Town is prepared to acquire the land in a deal with the Mammoth Lakes Foundation that will include the Edison Theater once construction is completed. The theater is expected to operate in FY25-26 in a limited capacity while construction of the larger McCoy Arts and Culture Center (MACC) begins. Total operating expenditure for FY25-26 is \$354,500.

The purchase of the Mammoth Lakes Foundation (MLF) property is a critical aspect of building the MACC. The Town financed this purchase as part of the larger Civic Center project, issuing Certificate of Participation - Lease Structured debt in July 2024. The total land cost is \$4.5 million, which will be paid to MLF to secure the land. In this agreement, the Foundation would retain \$1.5 million of the sale proceeds and donate \$3.0 million to the construction of the MACC. Based on authorization from MLR in 2024, Measure U funds will be to contribute \$180,000 annually to the debt service for the first 13 years. This debt service payment is indicated in the annual budget for Measure U and will be transferred to Fund 990 where all debt payments are made.

The difference between planned revenue and expenditure should produce an additional fund balance of \$575,500 for the year. As in previous years, a set aside of \$300,000 is indicated to show the level of support expected from Measure U for operational expenses of the MACC once it is fully operational. While this is set aside, it will not be expended and therefore will result in this positive change in fund balance.

Measure U - Annual Revenue		
Utility Tax: Telephone	\$	70,000
Utility Tax: Electricity	\$	800,000
Utility Tax: Gas	\$	240,000
Total Annual Revenue	\$	1,110,000

Measure U - Annual Expenses		
Programming	\$	225,000
Transfer to Fund 100 - Trails Program Manager	\$	25,000
Transfer to Fund 100 - Office of Outdoor Recreation Manager	\$	25,000
Special Projects	\$	25,000
Transit Services - Special Events	\$	25,000
Edison Hall Operations	\$	15,000
MLR Town Agreement - Administration	\$	10,000
Audit Services	\$	4,500
Total Annual Expenses	\$	354,500

Formerly Recreation Coordinator

Returns from prior year pause for construction

Measure U - One-Time Expenses		
Total Annual Expenses	\$	-

Measure U - Debt Service		
Land Acquisition MACC (13 Years)	\$	180,000
Measure U - Total Expense	\$	534,500

MACC Operating - Set aside future expense	\$	300,000
---	----	---------

Change in Fund Balance		275,500
-------------------------------	--	----------------

Fund 218 – Tourism Business Improvement District (TBID)

The TBID fund projections include revenues of \$7,400,000 for FY25-26. These numbers were calculated in conjunction with Mammoth Lakes Tourism annual budget process. The TBID account is a pass-through account, and the majority of these funds are transferred to Mammoth Lakes Tourism for marketing, advertising, promotion and MLT administration costs. The Town is budgeted to receive 2% of the revenue for collection and administration costs (\$148,000). In FY25-26 the TBID renewal increased rates for Ski Area and Golf Course to 2.5% which will produce additional funding that can be used to support programs outlined in the TBID Management District Plan.

Airport Operational Fund (220)

The Airport crew continue to evolve the function and utilization of the airport, aligned perfectly with the scheduled charter service and high value general aviation customers. The crew constantly strive for operational improvements that will have a positive influence on all airport customers while seeking efficiencies to keep the size of the operation nimble. The staff level is consistent to prior years for the operations team with one additional part-time employee added to support administrative functions in the Deputy Airport Manager's office. For FY25-26, the Town no longer has FAA CARES grant funding to support operations, resulting in a loss of revenue of \$285,000 from the prior year. Subsequently the General Fund contribution increased for FY25-26.

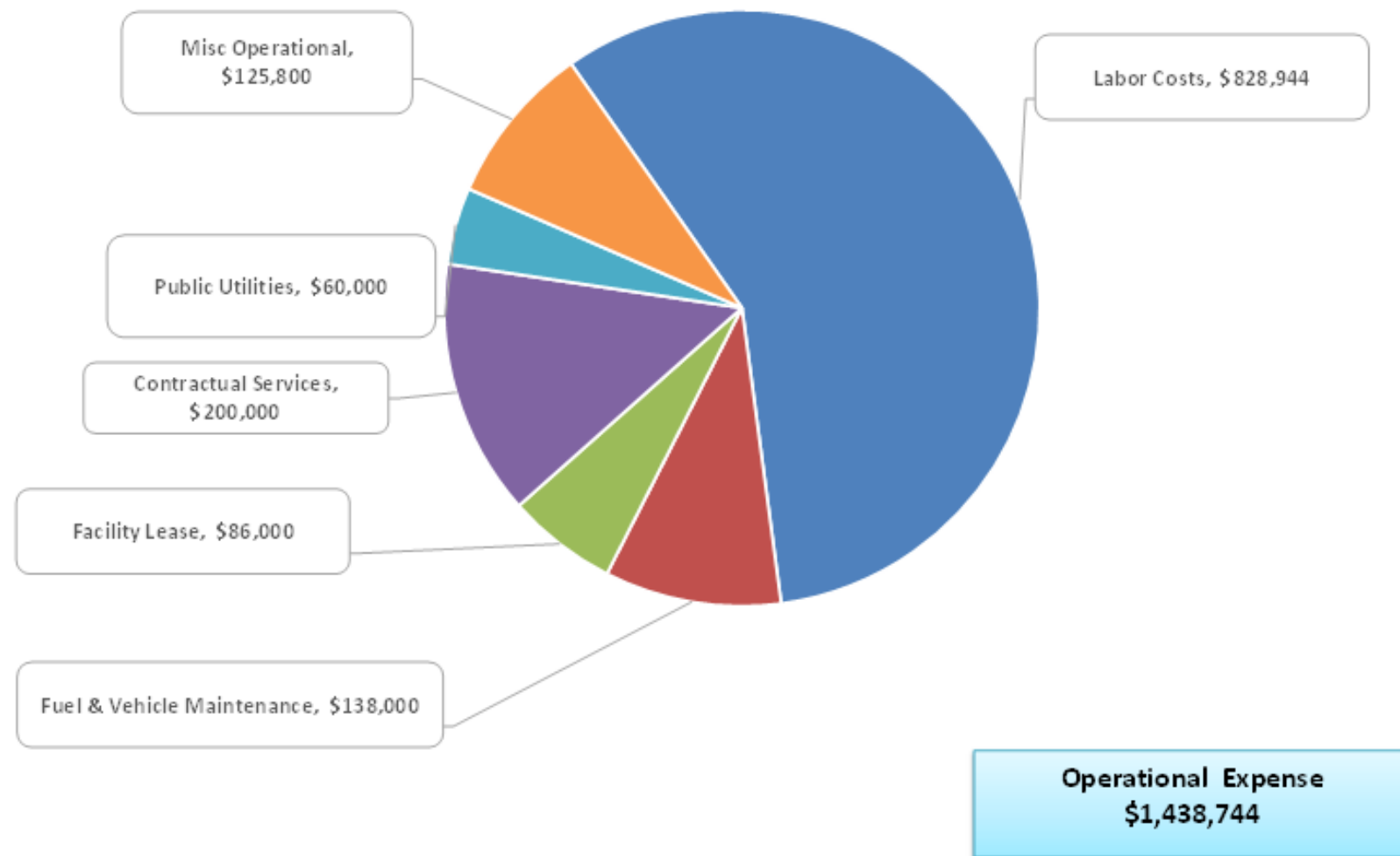
Airport Fund Revenue by Category

Item	FY22-23 Actual	FY23-24 Actual	FY24-25 Budget	FY25-26 Budget	Variance to Prior Year Budget	
Airport Passenger Facility Fee	\$ -	\$ 434	\$ -	\$ -	\$ -	0.0%
Car Rental Fee	\$ 90,341	\$ 79,768	\$ 55,803	\$ 55,803	\$ (0)	0.0%
Commercial Terminal Rent	\$ 4,200	\$ 4,200	\$ -	\$ -	\$ -	0.0%
Hanger Ground Lease	\$ 113,185	\$ 116,567	\$ 110,000	\$ 110,000	\$ -	0.0%
FAA: Operations Grant CARES Act	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
FAA: Operations Grant (AIP 45 - ACRGP)	\$ 239,472	\$ -	\$ -	\$ -	\$ -	0.0%
FAA: Operations Grant (AIP 47 - ACRGP)	\$ 461,802	\$ 300,000	\$ 285,000	\$ -	\$ (285,000)	-100.0%
FAA: Capital Project Grants	\$ 60,783	\$ -	\$ -	\$ 2,428,000	\$ 2,428,000	100.0%
Other Revenues	\$ 165,149	\$ 221,553	\$ 112,980	\$ 108,846	\$ (4,134)	-3.7%
Total Airport Revenue	\$ 1,134,931	\$ 722,522	\$ 563,783	\$ 2,702,648	\$ 2,138,865	379.4%
Transfer In - General Fund	1,225,000	1,533,007	1,015,462	1,164,095	\$ 148,633	14.6%
Total Airport Revenues	\$ 2,359,931	\$ 2,255,529	\$ 1,579,245	\$ 3,866,744	\$ 2,287,499	144.8%

Airport Fund Expenditures by Category

Department	FY22-23 Actual	FY23-24 Actual	FY24-25 Budget	FY25-26 Budget	Variance to Prior Year Budget	
Labor Costs	\$ 783,808	\$ 765,987	\$ 827,883	\$ 828,944	\$ 1,061	0.1%
Fuel & Vehicle Maintenance	\$ 119,335	\$ 221,154	\$ 144,398	\$ 138,000	\$ (6,398)	-4.4%
Facility Lease	\$ 74,036	\$ 84,455	\$ 80,000	\$ 86,000	\$ 6,000	7.5%
Contractual Services	\$ 185,756	\$ 215,992	\$ 225,000	\$ 200,000	\$ (25,000)	-11.1%
Public Utilities	\$ 97,989	\$ 77,575	\$ 80,000	\$ 60,000	\$ (20,000)	-25.0%
Misc Operational	\$ 329,483	\$ 302,197	\$ 119,500	\$ 125,800	\$ 6,300	5.3%
Operational Costs	\$ 1,590,407	\$ 1,667,360	\$ 1,476,781	\$ 1,438,744	\$ (38,037)	-2.6%
Labor Costs - Capital Projects	\$ 16,040	\$ 6,251	\$ 35,840	\$ 37,287	\$ 1,447	100.0%
Contractual Services - Capital Projects	\$ 549,761	\$ 448,199	\$ 2,498,125	\$ 2,390,713	\$ (107,412)	-4.3%
Capital Project Costs	\$ 565,801	\$ 454,450	\$ 2,533,965	\$ 2,428,000	\$ (105,965)	-4.2%
Total Airport Expenditures	\$ 2,156,208	\$ 2,121,810	\$ 4,010,746	\$ 3,866,744	\$ (144,002)	-3.6%

FY25-26 Airport Operational Budget



Fund 240 – Long Valley

This is a small fund and receives minimal revenue from private use of the “pit” for disposal of clean fill material. The pit is located near the Airport and receives clean fill material used to rehabilitate the site, as it was previously a site from which material was removed. The Town has also been working with the Forest Service on the removal and use of old asphalt grindings that were placed in the pit. The removal of this material assists with remediation of the site. Revenues are budgeted at \$26,000 with expenditures of \$3,000.

Fund 245 – Housing Now! Initiative

The biggest difference for Fund 245 is the inclusion of a dedicated funding source through Measure L. Measure L was passed by voters in November 2024 to increase the Transient Occupancy Tax rate from 13% to 15% as part of a general tax initiative. The Town Council voted in January 2025 to dedicate 100% of the proceeds from Measure L to Housing Now! initiatives. The collection of this revenue began in January and is accumulating in the undesignated section of Fund 245. That means the revenue is unrestricted and can be used for any housing needs under the program. As the budget for Fund 245 was developed for FY25-26, staff used a baseline TOT of \$25.0M as the basis to determine the budget for revenue expected in Fund 245 from Measure L. The calculation below illustrates this methodology.

Baseline TOT	\$	25,000,000	Solid year for baseline TOT
Lodging Revenue	\$	192,307,692	Gross Receipts necessary to achieve \$25.0M at 13%
Measure L	\$	3,850,000	2% of Gross Receipts (rounded)

In addition to Measure L revenue, Fund 245 receives any unallocated Housing Reserve funds from the General Fund budget. That number is \$730,478 for FY25-26 bringing the total revenue to \$4,580,478.

Since 2021, the Town has committed significant funding and resources under the Housing Now! brand towards providing a range of community housing with a focus on assisting households whose incomes range from the extremely low AMI level (< 30% AMI) up to the upper-middle AMI level (< 200% AMI) [Orange and Blue areas on the Housing Bridge image below]. The goal of the Housing Now! initiative is to provide housing that is available and affordable to those working in the community and focuses on both rental projects and for-sale ownership projects. Thus far, the approach has been broad across the income spectrum due to there being a significant need for additional workforce housing at all income levels as documented in the 2017 Housing Needs Assessment. To date, approximately 200 new affordable workforce units have been built (101 units), converted from existing market-rate units (12 units), or are under construction and will be completed within the next 12 months (89 units). The income levels for those units range from the extremely low AMI level (< 30% AMI) up to the upper-middle AMI level (< 200% AMI).



As staff begin to look beyond those projects that are currently underway, there is a need to develop a housing strategic plan to assist staff with prioritizing projects for funding and allow staff to better address and understand the housing needs of the community. The initial step in this effort is underway with the update of the housing needs assessment which is scheduled to be completed by the end of 2025. The updated needs assessment will provide critical data to help inform where the Town should focus the limited housing financial resources (Measure L, General Fund allocations, and existing Housing Now! funds balance) and what types of projects and programs that the Town should focus on developing. Within the Town-controlled sites, there is development capacity for at least 500 additional workforce housing units; however, it is somewhat unknown what AMI groups need the most assistance or what types of development products (e.g., rental vs ownership, number of bedrooms, etc.) are needed most.

In the upcoming year, the following housing projects will continue to be worked on:

- The conversion of market-rate units to workforce housing units under the Bridge program
- Development of the initial 76 units in Phase 2 of the Parcel (Kingfisher 2.1)
- Completion of the Access Apartments project (ESCH and Town partnership project)
- Planning efforts for Phase 3 of the Parcel (ownership phase) with the potential to begin site work in spring 2026
- Planning efforts for the remaining phases of the Parcel

The Town expects to continue investment in housing initiatives through the quarterly budget process. Planned expenditures will likely be Parcel Phase III and our bridge program as opportunity arises.

Fund 250 – Local Transportation Commission – LTC

This fund is used to account for revenues and work program as approved by the Local Transportation Commission. The Town anticipates receiving \$75,000 in revenues and has appropriated the full amount to implement the approved LTC work program for FY24-25. The appropriation includes \$40,000 for Node planning work that will be completed in Fund 100 – Office of Outdoor Recreation. This project will review the Town Nodes, access points to the Forest, to determine condition of the existing amenities (parking, restrooms, trash receptacles, signage, etc. and what is in need of repair or to be added at each location. The study will also look

at access (road, trails, etc.) and effective interconnectivity of the network and linkages to Town amenities. This work does not include the Lakes Basin as the Forest Service is conducting a similar review of the area.

Capital Projects Fund (300)

The Town of Mammoth Lakes Public Works Department currently has several capital improvement projects underway. Funds to support those projects come from a variety of state and local sources. It has been stated that the Town does not have a typical approach to funding our CIP and MMP work. As an example, we have no annual General Fund source for CIP projects. The work is pursued based on fund availability as it changes every year. A stated goal of the Department is to do enough work so that should funding become available, we are prepared to proceed expeditiously. The Town does typically budget approximately \$580,000 each year to improve our roads and infrastructure. This is sometimes carried over to a future year to enable the design and construction of a larger project. Below is a summary of the planned FY25-26 projects.

Reconstruct General Aviation and Terminal Area Parking Lot	\$1,945,000
The Housing Now! Initiative (245)	TBD
IIG Parcel Infrastructure (Town Infrastructure)	TBD
Mammoth Arts and Cultural Center (MACC)	\$16,800,000
Civic Center - Town Hall Construction	\$29,500,000
Mammoth Creek West Park Improvements	\$850,000
Shady Rest Restroom	\$200,000
Park Signage	\$100,000
Minaret / Meridian round-a-bout	\$400,000
Main Street South Side MUP Gap Closure (Town Loop)	\$250,000
Multipurpose Building Phase 1 - Design	\$350,000
Reconstruct Town-Hangar Taxilanes Design	\$229,000
2025 Streetscape and Infrastructure Repair Project	\$560,000
2025 Road and MUP Rehabilitation Project	\$3,000,000
2025 Slurry and Striping Project	\$560,000
203 / Mountain Blvd Pedestrian Beacon (HSIP)	\$350,000
TBID Kiosk	TBD

Parcel Infrastructure Grant (AF4)

The Town and the Parcel Development Partner (Pacific West Communities) were awarded a \$20.6 million Infill Infrastructure Grant (IIG) from the California Department of Housing and Community Development. The use of these funds will extend over several years as the Parcel is built out. The funding will be used for public and private infrastructure to support this affordable housing project. Build out is planned to include a minimum of 450 housing units. For Phase 1 of the Parcel these funds covered the parking podiums of both buildings, underground infrastructure, the extension of Tavern Road, integration of infrastructure on Laurel Mountain Road, and Inyo

Street. The capital budget carries the grant funding over time and actual use of the funds will depend on construction schedules.

Total Budget FY25-26 TBD with future phases of the Parcel

Multipurpose Building to Include ARFF and Snow Removal Equipment – Redesign (AP2a)

The Airport currently houses its Aircraft Rescue Firefighting (ARFF) vehicle and snow removal equipment (SRE) in a leased hangar and outside, for the equipment that does not fit within the hangar. Airport employees have offices within an old trailer located at the Airport. The proposed building will be a multipurpose building that will include 7 bays for storage of the ARFF and SRE and include spaces such as a lobby, training room, breakroom, restrooms, offices, and additional storage. The project will also include an access road, parking lot, vehicular gate, ARFF access road, and relocation of Taxiway Connector A3. The project was originally designed in 2023; however, bids were not received on the structure portion of the project and the FAA revised its eligibility for this facility based on operational changes at Mammoth Yosemite Airport. Therefore, the project is being redesigned. Staff are working with the engineering/architectural consultant to reduce the size of and simplify the project to both attract bidders and ensure that the new FAA eligibility is met. In April 2024, an Airport Improvement Program (AIP) Grant application was submitted to the FAA. The redesign is underway and will be ready to rebid the project in early 2025.

Total Budget FY25-26 Design: \$350,000

Town Hangar Taxilane Reconstruction – Design (AP4a)

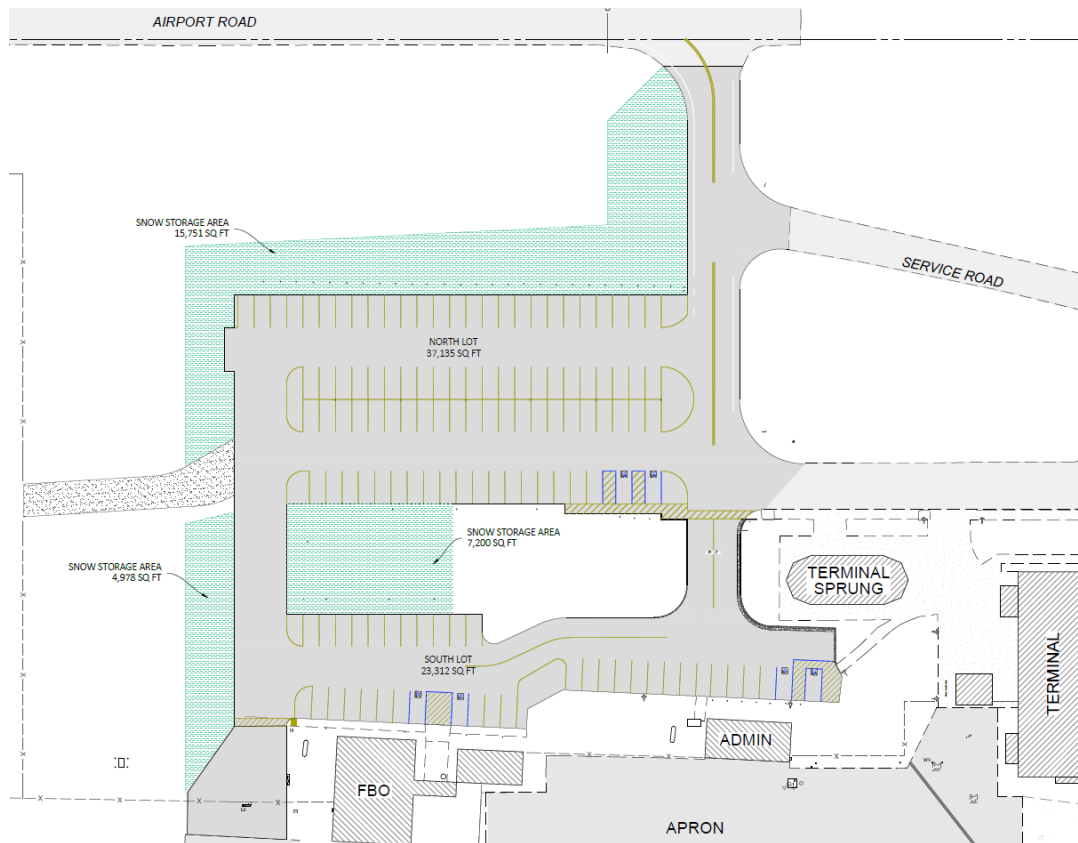
There are three taxilanes located between the Town Hangars at Mammoth Yosemite Airport. The taxilane asphalt has deteriorated greatly and has an extremely low Pavement Condition Index. The proposed design will include full-depth reconstruction of the taxilanes and minor grading improvements to fix existing drainage issues. In 2023 the Town issued a Request for Qualifications (RFQ) for engineering of multiple projects at the Airport including this project. The design will be completed in FY 24/25 in preparation for 2025 construction. The design will be funded with Town funding, until an Airport Improvement Grant (AIG) was submitted in 2025 to reimburse the design costs.

Total Budget FY25-26 Design: \$229,000

Reconstruct General Aviation and Terminal Area Parking Lot – Construction (AP9)

The existing General Aviation and Terminal Area Parking Lot at Mammoth Yosemite Airport has deteriorated over time and has an extremely low Pavement Condition Index; therefore, the parking lot needs to be reconstructed. The project scope includes full depth reconstruction, minor adjustments to grading, new markings, new solar floodlighting, and various ADA improvements. Bids were opened in March of 2024, and a successful bid was received within the budget. An Airport Infrastructure Grant (AIG) application was submitted to the Federal Aviation Administration (FAA) in April 2024 and is currently pending approval. Construction is planned for late summer of 2025.

Total Budget FY25-26 Construction: \$1,945,000



McCoy Arts and Cultural Center (MACC) (GF9)

The establishment of the McCoy Arts and Cultural Center (MACC) in the Town of Mammoth Lakes has been under consideration for several decades. The concept plan includes a performing arts auditorium, use of Edison Hall (theatre), storage/workshop space, and other ancillary uses. The concept plans have gone through several iterations. Aligning the scope of the project with realistic funding availability has been challenging. The location for the MACC is on Foundation property to be purchased by the Town. Over the past year Town staff have been engaged with the Mammoth Lakes Foundation to evaluate options to achieve a viable project and take advantage of new opportunities. This process has been under discussion in different forms for several years. A concept design for a new performing arts auditorium integrated with the existing Edison Hall was prepared. The concept achieved a more realistic project that is being refined to ensure the facility will meet the existing and expansion needs of most current users and serve new opportunities. The execution of this refined vision was separated into two phases. The first phase includes an interior remodel of the existing footprint of Edison Theatre to be completed in 2025 and managed by the Foundation. The second phase includes the construction of the new performing arts auditorium. The Town expects to break ground on the project in late 2025.

The Town and MLF have come to terms on the sale of the facility and surrounding lands. MLF would dedicate a portion of these proceeds to complete the MACC project. Funding sources for the new Performing Arts Auditorium project include Measure U Capital funding reserves of \$4.5 M. \$3M MLF contribution, Kern Community College District (local bond measure) funding of \$7,500,000, and private donations.

Total Budget FY25-26 \$16,800,000



Town Hall (GF14a and GF14b)

In February of 2024 the Town Council authorized bonding for the new Town Hall. Staff have been working with HMC Architects since 2022 on designs for the new facility. The project includes a new Town Hall with community spaces and offices for administrative staff. The schematic design included an emergency operations center (EOC). The Town hall project design was approved by the planning department in April 2024, and a construction contract was awarded in July of 2024. Construction began shortly after, and work will continue through summer 2026. Funding for the

design came from American Rescue Plan Act (ARPA). Construction of the project is funded by municipal bonds.

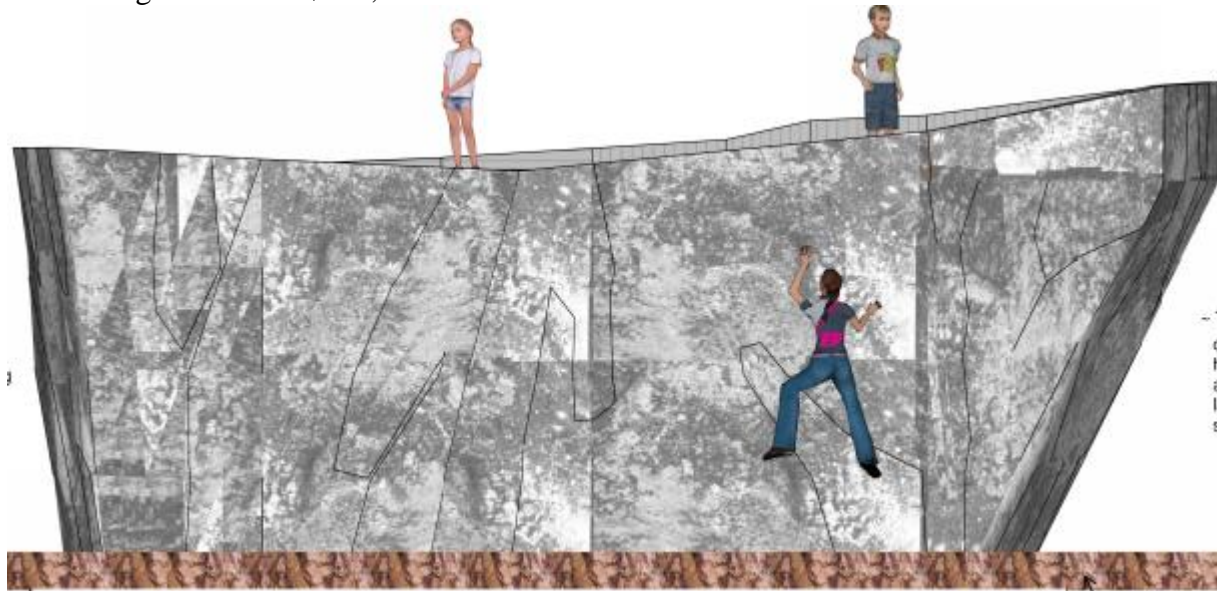
Total Budget FY25-26 Construction: \$29,500,000



Mammoth Creek Park West Improvements (PR14)

To complement all the improvements made at the Community Recreation Center (CRC) the Town Council allocated funding to improve the park space east of the playground. Improvements for 2025 include shade structures and bouldering park with fall protection. The park area will be constructed over the summer of 2025. MLR provided funding to construct the climbing boulder. In April 2025 \$350,000 in Measure R funding was set aside for this project.

Total Budget FY25-26 \$850,000



Shady Rest Restroom (PR15)

In fall of 2023 the Parks and Recreation Commission recommended replacing the existing bathroom at Shady Rest Park. The existing facility is inadequate for our needs and is past its useful life. The existing structure may be repurposed for storage. A new building will be designed to be year-round, ADA compliant and meet the changing needs of the facility. Funding for the design has been set aside. No funds for construction have been allocated. Thus far a topo survey has been

completed as well as preliminary designs. Work will continue during the summer/fall of 2025. Staff will develop a cost estimate for consideration for funding.
Total Budget FY25-26 \$200,000



Park Signage (PR16)

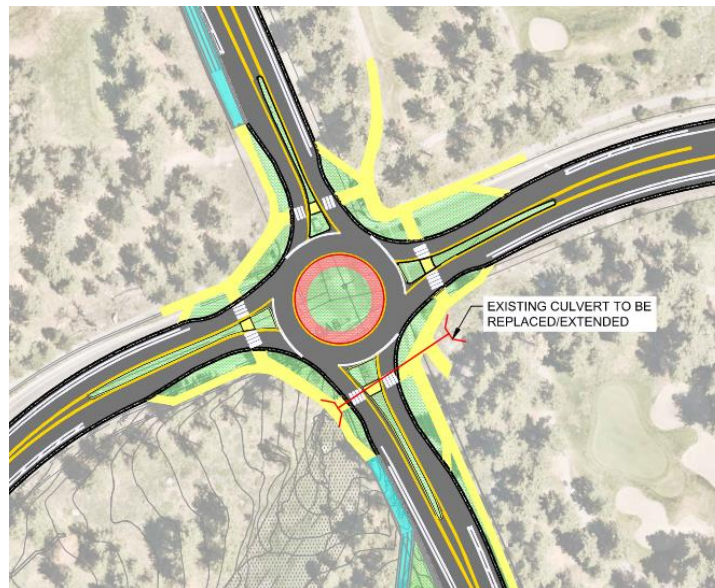
Funding was set aside to construct three new park monument signs. These signs will be consistent with the municipal signage and wayfinding program. The signs will be located at Mammoth Creek Park West, Dog Park, and Shady Rest Park. Work will begin in summer 2025.
Total Budget FY25-26 \$100,000



Minaret / Meridian Round-a-Bout (ST15)

During the development and design of the Minaret MUP (Munit-Use Path) project Staff and its consultant re-evaluated the possibility of a round-a-bout at the intersection of Meridian and Minaret. A round-a-bout has been contemplated in this location for at least two decades. The Mobility Element identified this location for a round-a-bout. The initial alignment looked viable, so staff commissioned the completion of a project study report (PSR). The PSR was used to program funds to complete the project design. The project to be designed consists of roadway reconstruction and reconfiguration for approximately 400' -600' along each of the four intersection legs at which point the improvements will tie into the existing roadways with existing lane configurations and striping. Asphalt concrete will be removed, the roadway re-graded, and new asphalt pavement installed for the roundabout alignment. Additionally, medians, curbs and gutters will be added, and existing utilities will be adjusted to match the new finish grade. MUPs and cart paths along with appropriate crossings will be integrated into the design. The design phase of the project is funded by \$180,000 in State Transportation Improvement Program (STIP) and \$220,000 in General Fund. Construction funding is anticipated to come from future STIP shares.

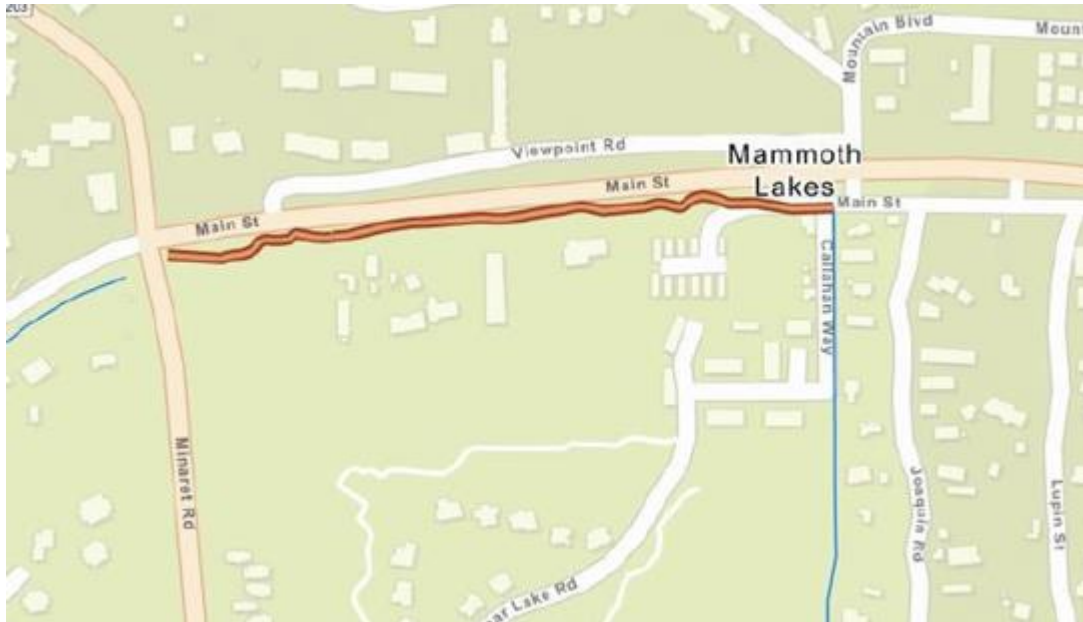
Total Budget FY25-26 \$400,000



Main Street South Side MUP (TR2)

The Main Street MUP will close a gap between the Lakes Basin Path and the Town Loop MUP located at Callahan Way. The project is located on the south side of SR203 within the Caltrans right of way. The project includes 1700LF of separated ADA compliant asphalt multi-use path, drainage improvements, slope protection, transit improvements, lighting, signage and wayfinding, and other supportive infrastructure. Thus far only the design phase has been funded. Construction funding is anticipated to come from future STIP shares. Staff and Council have only authorized the consultant to advance a series of alternatives for consideration.

Total Budget FY25-26: \$250,000



2025 Streetscape and Infrastructure Repair Project (SS5)

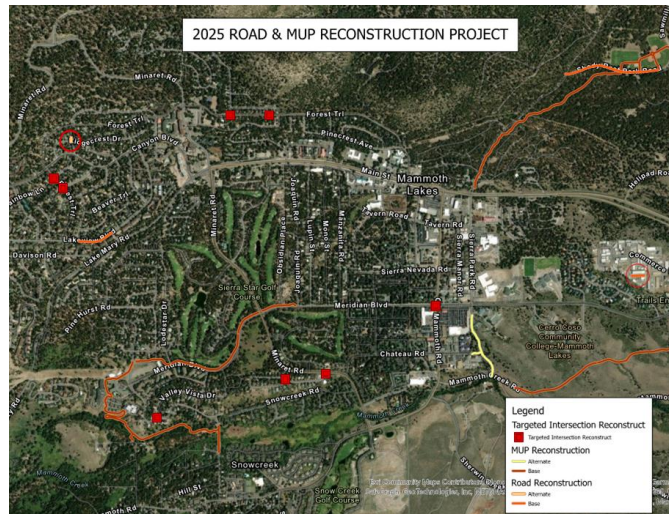
This project includes various concrete work around Town. The scope includes replacement of curb and gutter along Meridian Blvd. Replacement of the retaining wall on Sierra Park south of Meridian Blvd. Replacement of truncated domes and utility boxes on Main Street. Installation of a catch basin and flatwork at the Eastern Sierra Transit Authority (ESTA) yard and 210 Commerce. Concrete foundations at Mammoth Creek Park for the new climbing boulder and shade structures. New concrete surface at the Shady Rest Park skate park. Work will be completed over the summer of 2025.

Total Budget FY25-26: \$600,000

2025 Road and MUP Rehabilitation Project (ST1)

This project includes a variety of asphalt and concrete rehabilitation on roads and multi-use paths throughout Mammoth Lakes, including but not limited to pulverizing existing AC pavement, recompact base, and place new hot mix asphalt. Work on concrete swales for removal and replacement will occur at intersections. The intent is to correct steep approach and departure angles at intersections that result in damage to roads and equipment at intersections of Forest Trail with Grindelwald Rd, Holiday Way, Rainbow Lane and Convict Dr, intersections of Ridge Way with Minaret Rd and Panorama Dr, intersection of Majestic Pines Dr and Valley Vista Dr, intersection of Old Mammoth Rd and Meridian Blvd, MUPs connecting Waterford Rd with Meridian Blvd, MUP along Meridian Blvd between Majestic Pines Dr and Joaquin Rd, Mammoth Creek MUP between Mammoth Creek Rd and Mammoth Community Water District (MCWD) service road, MUP along Sawmill Cutoff Rd and within Shady Rest Park, all within Mammoth Lakes, CA

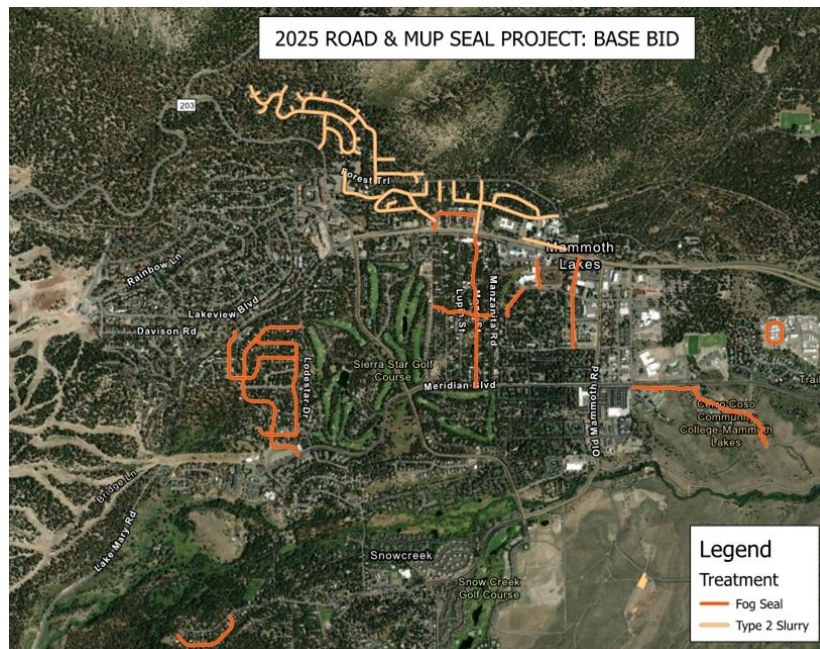
Total Budget FY25-26: \$3,000,000



2025 Slurry and Striping Project (ST2)

This project includes slurry seal, fog seal, painted traffic striping and pavement marking at a variety of roads throughout the Town of Mammoth Lakes. Slurry seal will be applied to Grindelwald Rd, Mammoth Knolls Dr, St. Anton Cir, St. Moritz Rd, Vacation Pl, Holiday Way, Berner St, Alpine Cir, Mala Ulice, Rusty Ln, Knob Hill Ln, Pinecrest Ave, Sierra Blvd, Snowcrest Ave, Old Mammoth Rd, and Sawmill Cutoff, and fog seal on Laurel Mountain Rd, Inyo Street, Tavern Rd, Chaparral Rd, Mountain Blvd, Kelley Rd, Silver Tip Ln, Majestic Pines Dr, Monterey Pine Rd, Scenic Loop, and Lakes Basin Path, all within Mammoth Lakes, CA.

Total Budget FY25-26: \$560,000



203 / Mountain Blvd Pedestrian Beacon (HSIP) (ST3)

The Town of Mammoth Lakes applied for and was awarded a Highway Safety Improvement Program (HSIP) grant to install crosswalk improvements at Mountain Boulevard. The installation

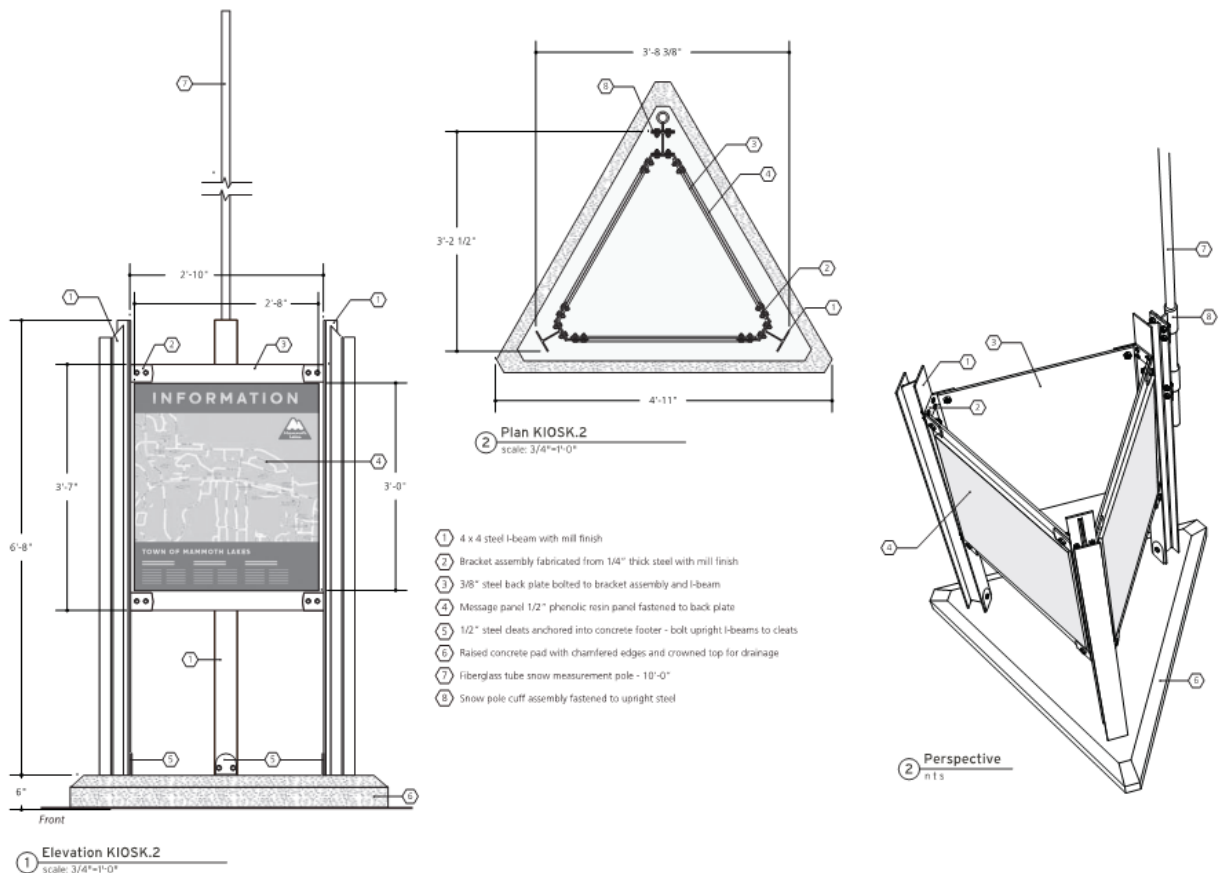
will be similar to other pedestrian-activated crosswalks along Main Street. The new crosswalk will include the reconstruction of the north ADA ramp, the construction of a new ADA ramp on the south landing, striping, and installation of new posts, mast arms, and Rectangular Rapid Flashing Beacons (RRFB) system to match other recently upgraded SR 203 crosswalks. The design will be coordinated with the South Main Street MUP which is currently in development.

Total Budget FY25-26: \$350,000

TBID Kiosk (TBID1)

In partnership with Mammoth Lakes Tourism (MLT) the Town would install informational kiosks at strategic locations around the Town. The kiosks were designed and engineered as part of the Municipal Signage and Wayfinding Project. Messaging would be developed to complement the target user groups and needs of the location. Messaging may be different in tourist vs resident areas. The three-sided signs provide opportunities for maps, special events, marketing and other messaging the Town and MLT are trying to communicate to residents and visitors. The scope and scale of the project are in development.

Total Budget FY25-26: \$TBD



Development Impact Fees (DIF) Fund (830 - 841)

The fees are restricted to capital projects and as fees come in and an appropriate project is moving forward, the budget will be amended based on actual funds received and passed through upon request from the proper agencies. The Town retains 4% of all funds received for administrative purposes. The fees in previous years have had significant increases based on large projects permitted within the Town. For FY25-26, staff expect to reflect a normal construction cycle for both building permit revenue and revenue for these DIF Accounts. Currently 10 of the funds have anticipated revenues and expenditures see chart below:

Fund Balance - DIF Accounts

As of June 30, 2025

The Development Impact Fees have been adopted to defray the cost of new development impacts on existing infrastructure that cannot be accommodated by the existing community. The fees are only for the reasonable incremental cost of new facilities that are required as the result of new development.		
Developmental Impact Fees	Estimated Fund Balance (Year End)	FY25-26 Budgeted Revenue
Fund 830 - DIF Town Admin Overhead	\$ 174,731	\$ 21,040
Purpose - This fee covers the cost of general administration of the article and any resolution adopted pursuant hereto. Administrative overhead includes, but is not limited to, performance of accounting tasks associated herewith, supervision and handling of funds, preparation and/or updating of master facilities plans, capital financing plans, justification reports and special studies related to development impact fee funded projects.		
Fund 831 - DIF General Facilities & Equipment	\$ 413,615	\$ 70,000
Purpose - A development impact fee is established for general facilities, vehicles, equipment, and new town administrative offices.		
Fund 832 - DIF Law Enforcement	\$ 15,223	\$ 42,000
Purpose - A development impact fee is hereby established for police facilities, vehicles, and equipment.		
Fund 833 - DIF Storm Drains	\$ 363,122	\$ 42,000
Purpose - A development impact fee is established for storm drainage facilities.		
Fund 834 - DIF Parks and Recreation	\$ 315,558	\$ 35,000
Purpose - A development impact fee is established for park land, parks, and recreation facilities.		

Developmental Impact Fees			Estimated Fund Balance (Year End)	FY25-26 Budgeted Revenue
Fund 835 - DIF MCOE - Library	\$	362,396	\$	32,000
Purpose - The Town collects the fees on behalf of the MCOE and the Town does not have jurisdiction over the amount or use of the fee.				
Fund 836 - DIF Streets & Circulation	\$	159,816	\$	35,000
Purpose - This fee is the pro-rata share for new development for street infrastructure projects to maintain a circulation level LOS D for streets and intersections as described in the General Plan EIR.				
Fund 837 - DIF MCOE Child care	\$	28,303	\$	40,000
Purpose - The Town collects the fees on behalf of the MCOE and the Town does not have jurisdiction over the amount or use of the fee.				
Fund 838 - DIF Fire Facilities, Vehicles & Equipment	\$	190,732	\$	140,000
Purpose - This fee is for new apparatus and Fire Station. The Town collects the fee on behalf of the Mammoth Lakes Fire Protection District and the Town does not have jurisdiction over the amount or use of the fee.				
Fund 841 - DIF Transit & Trails	\$	778,335	\$	90,000
Purpose - A development impact fee is established for trail construction and transit facilities.				

Budget Assessment Districts Fund (850 - 861)

There are a number of assessment districts within the Town. The districts provide and ensure the continued maintenance, servicing, administration, and operation of various improvements and associated appurtenances located within the public right-of-way. The improvements include the installation, upgrade, construction, or reconstruction of irrigation and landscaping, street lighting, streets, sidewalks and driveways, curb and gutter, drainage facilities, and snowmelt tubing systems.

The Town contracts with NBS to perform annual Engineer's reports on each of the assessment districts. These reports outline the current fund balance against anticipated maintenance and capital improvement projects. If a variance exists between available funds and anticipated needs, a district assessment is recommended.

Fund Balance - Assessment Districts

As of June 30, 2025

Assessment District	Est. Fund Balance as of June 30, 2025	FY25-26 Assessment Rates
Fund 850 - Juniper Ridge	\$ 63,628	\$ 1,200 - Per Lot
Purpose - Maintenance of landscaping, ornamental street lighting, street signs, snow stakes, and the decorative walls at the entrance.		
Budget - Total Budget \$ 76,000 for FY25-26, including Snow removal of \$70,000 and Contractual Services of \$6,000. The Town is contributing \$35,000 for Snow Removal / Gas Tax. Total of 40 lots within the district with a maximum assessment per lot of \$1,200 totaling \$48,000.		
Fund 853 - Bluffs Maintenance	\$ 575,916	\$ 2,100 - Per Lot
Purpose - Roadway, drainage, sewer, power, street light, telephone, television cable and gas line improvements on streets within the Bluffs subdivision and between subdivision entrances.		
Budget - Total Budget \$ 297,366 for FY25-26 with Town contributing \$25,000 for Snow Removal with planned projects of \$218,366 and snow removal expense of \$70,000. There is a planned use of fund balance of \$106,466 for FY25-26. Maximum assessment per lot is \$2,100 charged to 79 residential lots producing \$165,900 in revenue.		
Fund 854 - North Village	\$ 485,566	Avg \$1,009 per parcel
Purpose - Debt Service for the District improvements include the installation, upgrade, construction, or reconstruction of irrigation and landscaping, street lighting, streets, sidewalks and driveways, curb and gutter, drainage facilities, and snowmelt tubing systems and appurtenant facilities.		
Budget - Debt Service payment for FY25-26 is \$512,899 and contractual services of \$10,000 bring the total budget to \$522,899 for FY25-26. Revenue includes assessment of \$1,009 per parcel will generate \$522,899 in tax assessment. Total 518 units in the district.		
Fund 856 - Old Mammoth Road	\$ 894,016	\$28.56 - Per Linear Foot
Purpose - Maintenance of irrigation and landscaping, street lighting, streets, sidewalks and driveways, curb and gutter, drainage facilities, and snowmelt tubing systems and limited appurtenant services.		
Budget - Total Budget \$241,100 for FY25-26 with Town contributing \$30,000 for snow removal. Planned maintenance of \$31,400 and \$70,000 for snow removal. Planned projects of \$128,700. Total District linear front footage is 7,390.210 resulting in a charge of \$28.56 per linear foot for a district assessment of \$211,100.		
Fund 857 - Village Benefit	\$ 768,254	Various Rates see in Budget
Purpose - Maintenance of irrigation and landscaping, street lighting, streets, sidewalks and driveways, curb and gutter, drainage facilities, and snowmelt tubing systems and appurtenant facilities.		
Budget - Total Budget \$159,072 for FY25-26 with Town contributing \$25,000 for Snow Removal. Total of 523 parcels in the district with the following rates: Condominium - \$217.62 - \$463.79 per unit, Commercial / Gondola - \$.29 per square foot, Apartment and Hotel - \$217.62 per room. In addition to snow removal, there is a capital project of \$87,072 planned for FY25-26.		

Assessment District	Est. Fund Balance as of June 30, 2025	FY25-26 Assessment Rates
Fund 858 - CFD 2004-01 (Fractional Use)	\$ 113,262	Avg - \$752 per parcel
Purpose - Finance the costs and expenses of providing enhanced services and facilities to the Town including police protection services, criminal justice, recreation program operations and maintenance, library services, museums, cultural facilities, parks, parkways and various other facilities and equipment.		
Budget - Total Budget \$1,046,441 for contribution Incremental Town Services for FY25-26. Total district parcels is 286 with 266 units with a levy amount from \$571.44 - 1,142.88 for a average of \$752 per parcel. Total tax assessment is \$200,000. The CRC is expected to generate \$609,000 in revenue, \$75,000 LA Kings Sponsorship with another \$237,441 transferred in from Measure R and General Fund.		
Fund 859 - DIF in Lieu Mello Roos Tax	\$ 29,960	\$2,470 - per one parcel
Purpose - Developer's have the option to pay an annual assessment rather than pay Development Impact Fees upfront. These fees may be used for public benefit facilities. The Town currently has one property within this assessment district.		
Budget - Total Budget \$2,470 for FY25-26. Total of 1 parcel in the district		
Fund 860 - Transit Facilities	\$ 115,597	Avg \$80 per parcel
Purpose - Contributes to the town-wide transit system.		
Budget - Total Budget \$7,800 for FY25-26. Estimate of total units in the district is 97.		
Fund 861 - Mammoth View	\$ 90,317	\$18.38 - Per Special Benefit Point
Purpose - The improvements maintained by the District include Viewpoint Road, the Viewpoint condominium emergency access area located to the north of the Viewpoint condominiums, sidewalks fronting the District along Main Street, Mountain Boulevard, and Alpine Circle, and appurtenant facilities.		
Budget - Total Budget \$6,000 for FY25-26. Total of 326.41 Special Benefit Points for a total of \$18.38 per Special Benefit Point		

Fractional Mello Roos Fund (858)

The district was created to provide enhanced levels of service for designated Town Services. FY04-05 services are used as a baseline for service, meaning these funds cannot be used for services below the baseline. Due to the reduction of service areas following the MLLA legal settlement, these funds are not available for use in most service areas. The one exception has been recreation where new amenities have been constructed providing levels of service beyond the baseline and therefore an opportunity to use the funds. The tax revenue is received from fractional ownership projects and was put in place to offset the loss of TOT revenue from such projects. This Fund has \$1,046,441 in anticipated revenues for FY25-26 generated by charges for estimated tax revenue (\$200,000), facility fees (\$532,000), LA Kings sponsorship (\$75,000) transfer-in (\$237,441) and interest (\$2,000). The Transfer-In is an allocation from Measure R and General Fund to support CRC operations.

Fund 910 – Garage Services

The Vehicle Service Fund, also referred to as the Garage, is used to track cost of maintenance for our vehicle fleet. The garage staff is comprised of five mechanics, one mechanic trainee, and one fleet manager. The staff maintains all vehicles in the Town's fleet, including most repairs, fuel, and periodic maintenance. When work is performed on a vehicle, the department where that vehicle is assigned will be charged the cost of repair including staff time. This type of an account is known as internal service fund where expenses are covered by work performed for other departments. The list of estimated charges within the FY25-26 budget are listed below:

Garage Services

Fuel and Repairs

Fund / Department	Description	Garage Services
100-416	General Fund - General Services	\$ 40,000
100-420	General Fund - Police	\$ 75,000
100-434	General Fund - Whitmore Rec Area	\$ 14,000
100-438	General Fund - Parks Maintenance	\$ 40,000
210-454	Gas Tax - Summer Equipment	\$ 110,000
210-455	Gas Tax - Winter Equipment	\$ 120,000
220-471	Airport - Operations	\$ 45,000
858-436	Fractional - Parks & Rec	
		<hr/>
		\$ 444,000

In addition to internal service, this department services outside entities that use our repair and fuel services. These outside agencies include Eastern Sierra Transit Authority, Schools, Fire, and some county vehicles. The Town updated the billing rate last year to \$125 per hour. Staff are continuing to work through analysis on the impact of this change as well as the recent implementation of garage billing software. The fund has projected revenues of \$1,562,563 and expenditure of \$1,784,565 for FY25-26. These expenditures include a transfer out to Gas Tax of \$60,000 to cover 50% of maintenance for the garage facility. The proposed budget has a negative fund balance of \$221,912 for the year and staff expect to have this analysis completed by mid-year with a solution on the revenue vs expenditure discrepancy also resolved.

Fund 915 – Vehicle Replacement

The vehicle replacement fund was new for FY21-22, separating vehicle replacement from garage services as noted above. This change was made to separate two diverse but equally important motor pool functions and provide clarity on the cost of operations for the cost of vehicle replacement. The vehicle replacement portion supports the purchase of a replacement vehicle once the existing piece of equipment is all used up. This is accomplished using a calculation to estimate required annual set aside to cover future replacement costs based on expected lifespan, original vehicle costs and annual CPI increases. The vehicle is assigned to a division, within departments

that use the vehicle, which is charged funds necessary for replacement. Below is a list of charges for the FY23-24 budget by operating department:

Vehicle Replacement

Department Charges

Fund / Department	Description	Vehicle Replacement
100-416	General Fund - General Services	\$ 35,000
100-420	General Fund - Police	\$ 60,000
100-434	General Fund - Whitmore Rec Area	\$ 22,000
100-438	General Fund - Parks Maintenance	\$ 62,000
210-454	Gas Tax - Summer Equipment	\$ 80,000
210-455	Gas Tax - Winter Equipment	\$ 140,000
220-471	Airport - Operations	\$ 13,000
858-436	Fractional - Parks & Rec	\$ 4,300
		<hr/>
		\$ 416,300

Staff did increase the annual inflation charge from 3% to 3.5% for FY25-26, as recent vehicle purchases show the cost of acquisition rising faster than our estimates. The Town is also implementing a different monitoring process for our vehicle replacement, utilizing Quick base software and our existing fleet management program. This change will allow for better monitoring of vehicle replacement costs and rapid analysis.

Staff have not identified any vehicle purchase needs for the initial budget. With changing regulations and mandates, staff will utilize more time to analyze needs and strategize for replacement in FY25-26. This can be accomplished during any of the quarterly budget reviews.

Debt Service Fund (990)

The Town has a variety of debts including the bond for the police station, and the bond payment for the MLLA settlement, Installment Sales Agreement for the Multi use facility, Certificates of Participation for construction of the Town Hall, as well as Refunding Bonds for North Village Development. The inter-fund loan between the General Fund and the Vehicle Replacement Fund is being paid off this year. The chart below reflects the debt payments made to external entities. The 2004 Bluff's development funding, paid for by assessments on property tax in the Bluffs was fully paid in FY21-22 and is no longer a part of our debt schedule. This adjustment is noted in fund 990 for debt payments as well as Fund 852 where the assessment revenue and expenditures are noted. A summary of the Town's operating debt service is as follows:

Town of Mammoth Lakes - Debt Schedule

DEBT	PURPOSE	INITIAL DEBT AMOUNT	Current Balance	ANNUAL PAYMENT FY25-26	TERM	END DATE	INTEREST RATE	SOURCE OF PAYMENT
Installment Sales Agreement (2017)	Multi Use Facility	\$ 5,500,000	\$ 3,445,000	\$ 613,227	10 Years	FY2027-28	2.23%	Measure R Fund 216
Taxable Judgment Obligation Bonds (2017)	MLLA Debt	\$ 23,995,000	\$ 19,830,000	\$ 1,870,322	18 Years	FY2035-36	1.750% increasing 0.25% each Year to a maximum interest rate of 4.375%	General Fund Fund 100
Certificates of Participation, Series 2024	Town Hall Construction	\$ 29,670,000	\$ 29,670,000	\$ 1,361,250	18.5 Years	FY2048-49	Avg. 4.487%	General Fund Fund 100
CFD 2001-1 Refunding Bonds, (2016)	North Village Development	\$ 6,626,919	\$ 5,066,352	\$ 512,899	17 Years	FY2033-34	3.31%	North Village Assessment District Fund 854
Total		\$ 65,791,919		\$ 4,697,698				
				General Fund Debt	\$ 3,231,572			
				Measure R Debt	\$ 613,227			
				Assessment District Debt	\$ 512,899			

This fund was modified to remove most of the future capital components. These elements were moved to Fund 980 – Future Capital. Fund 980 does not have any operating revenue or expenditure from a budget standpoint. Adjustments to this fund are made during quarterly budget reviews, when resources are committed through Town Council action. Appropriations may also be made from the same mechanism or related to a capital project closer to our or bid award. All of those activities are accomplished through an agendaized public discussion and Town Council approval.

CONCLUSION

This concludes our annual budget process for FY25-26. In total, the Town's budget is comprised of \$106,958,054 in total resources (Revenue and Transfer In) and \$109,939,208 in total appropriations leaving a negative change in fund balance of \$2,981,155 across 37 Funds. Staff are committed to working within the Town's financial limits and the policy direction provided by Town Council as we provide services to our community. Attached to the staff report is a line-item detail of the proposed budget. Staff have put considerable effort into delivering a thorough and thoughtful budget through a collaborative process including Town leadership as well as Council direction. Once a final budget is adopted, staff will begin work on a budget book to aid in public understanding of our budget details along with department goals and objectives for FY25-26.

The Town Staff and Council have implemented a conservative financial management approach to the Town's budget. The approach manages the level of growth of the annual operating budget and allows for decisions throughout the year on directing unallocated revenues to specific Council priorities, responding to emergencies, matching funds for grants, fully funding reserves and related items without impacting current operations. This approach has served the Town well over the past several years.